

2002 0475

IGSL

Management Audit Of the San Francisco Planning Department

Prepared for the
**Board of Supervisors
Of the City & County of San Francisco**

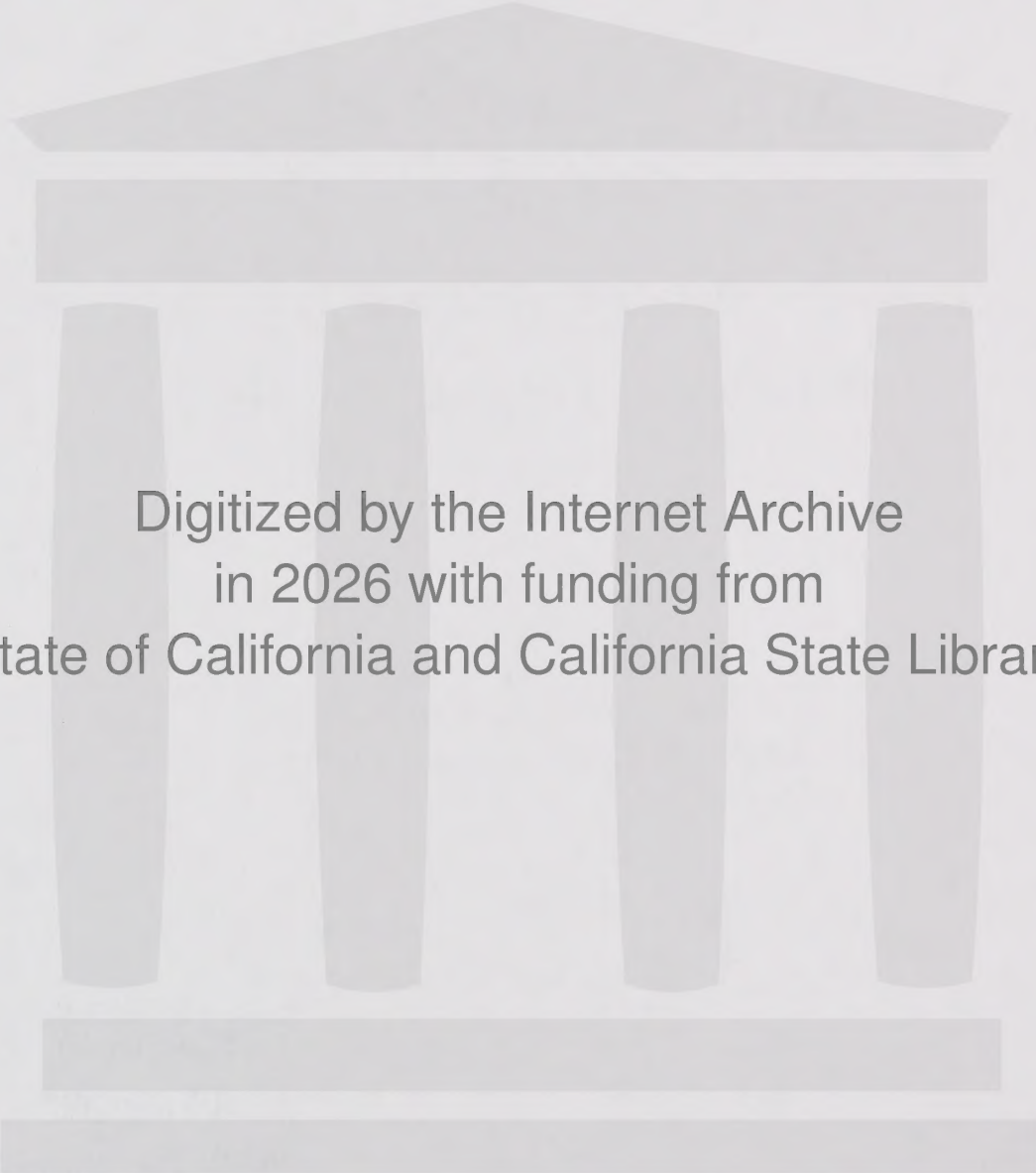
By the
San Francisco Budget Analyst

June 2002

INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

JUN 19 2002

UNIVERSITY OF CALIFORNIA



Digitized by the Internet Archive
in 2026 with funding from
State of California and California State Library

<https://archive.org/details/C101695142>

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415) 554-7642
FAX (415) 252-0461

June 3, 2002

Honorable Jake McGoldrick, Chair
and Members of the Transportation and Commerce Committee
Board of Supervisors
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Dear Supervisor McGoldrick:

The Budget Analyst is pleased to present this *Management Audit of the San Francisco Planning Department*, prepared in response to a motion adopted by the Board of Supervisors on October 15, 2001.

In Fiscal Year 2001-02, the Planning Department has a total budget of \$14,929,752 and 147.43 authorized positions. Budgeted Department revenues consist of development project application fees of \$9,765,000, non-fee General Fund support of \$3,004,211 and grants, interdepartmental recoveries and other sources amounting to \$2,160,541.

The Planning Department provides an extensive scope of services covering land use and development in most of San Francisco. While the Department's work is often technically complex, the staff faces the additional ongoing challenge of having to conduct their analyses on individual development projects and long range plans in an often contentious environment. Every week planning staff has to interpret the complex Planning Code and develop recommendations on projects that don't always please project applicants or neighbors. The Department operates an active training program for planning staff involved in processing development project applications.

Honorable Jake McGoldrick, Chair

and Members of the Transportation and Commerce Committee

Board of Supervisors

June 3, 2002

Page 2 of 34

The Department's long range planning unit has recently embarked on several innovative approaches to their efforts involving more extensive community involvement than has typically occurred in the past. The ongoing Better Neighborhoods program and the new community planning process for five neighborhoods both are taking the approach of involving the community in updating planning and zoning regulations for their neighborhoods. To improve public access to planning issues, the Department has recently prepared a General Plan summary document that is visually appealing and easier to read than the full General Plan. To better address individual neighborhood concerns, the Department reorganized its staff responsible for processing development project applications into four geographic quadrants of the City.

The Department has made progress in a number of areas compared to the last management audit performed by the Budget Analyst in 1998. The Public Information Center is one example where substantial improvements have been made. The Department has reinstated its Planning Code enforcement effort and dedicated six staff positions for this purpose. The Department's office facilities and computer equipment have also improved.

In spite of these accomplishments, the Budget Analyst had identified findings in 13 areas and developed 86 recommendations that address these audit findings. The findings and recommendations address a variety of issues as follows:

- ◆ The Planning Commission has failed to comply with State laws and Charter requirements including: a) the setting of goals and objectives for the Planning Department; b) evaluation of departmental accomplishments; c) coordination with other local agencies involved in land use and planning issues, including the Redevelopment Agency and San Francisco Transportation Authority; and, d) incorporating input from the Board of Supervisors into Department goals, objectives, programs and policies.
- ◆ The Planning Department management lacks accountability to the Board of Supervisors regarding actual use of funds appropriated, project priorities, project progress, and project timelines as exemplified by the Director's decision in FY 2001-2002 not to conduct environmental reviews of Planning Department and Board of Supervisors-initiated projects that rely on General Fund support, although that activity was included in the Department's FY 2001-2002 Work Program provided to the Board of Supervisors prior to their approval of the FY 2001-2002 budget.

Honorable Jake McGoldrick, Chair

and Members of the Transportation and Commerce Committee

Board of Supervisors

June 3, 2002

Page 3 of 34

- ◆ The City's Planning and Administrative Codes allow for the extensive use of Conditional Use and Discretionary Review in San Francisco compared to other California cities and counties, giving the Planning Commission latitude to approve a wide variety of projects that, cumulatively, are inconsistent with either the General Plan or the intent of the Planning Code. Such inconsistencies are exemplified by approval of four large retail buildings in the Upper Market commercial district that exceeded the size otherwise allowed under the Planning Code, increasing the number of large retail establishments in a district zoned for moderate scale development.
- ◆ During the five year time period starting in March 1997 through the present, the Planning Department and Planning Commission have been reviewing and studying industrial protection zone controls but have still not developed permanent controls in this area, resulting in one neighborhood, the Mission District, developing its own controls approved by the Board of Supervisors without Planning Department participation.
- ◆ The Planning Department has not developed procedures to ensure community involvement in the long range planning process as is regularly accomplished in jurisdictions such as San Jose, Portland, Oregon and San Diego County through established advisory committees and forums.
- ◆ The Planning Department is deficient in management of the Department's long range planning process, including promising more in the Department's annual Work Program than can be accomplished with the staff assigned, not completing projects by its Work Program deadlines and shifting of significant project priorities and deadlines contrary to the Department's Work Program or representations made to the Board of Supervisors by Department management without input from the Board of Supervisors. Examples include preparation of an Urban Design element for the General Plan, which began in FY 1999-2000 with an expected due date of June 2000 but is still not complete. Similarly, preparation of a Land Use element for the General Plan began in FY 1998-1999 with an expected completion date of June 1999 and is still not complete.
- ◆ The Planning Department does not comply with State Permit Streamlining Act requirements that (a) set limits on processing time for development project applications of 60 days for most projects that require Planning Commission approval; (b) set time limits on environmental review processing of 180 days for projects that receive a Negative Declaration of environmental impacts; (c) set time limits on how long the Department can take in determining if an application is complete; (d) require disclosure of information about application

processing timelines and application information requirements to the public. In the Budget Analyst's sample of 19 projects which required approval by the Planning Commission, the median processing time was 80 days, which is 33 percent or 20 days in excess of the 60 days allowed by the Permit Streamlining Act. The longest processing time in the sample was 296 days. In a sample of environmental review cases, the median processing time was 211 days, or 31 days in excess of the 180 days allowed by State law.

- ◆ The Department does not maintain a system for tracking and monitoring actual application processing times.
- ◆ The Department's Planner staff turnover rate increased every year since FY 1997-1998 through the current fiscal year. Under the present Director of Planning, between July 2000 and September 2001, 25 staff planners, or approximately 30 percent of all staff planners, resigned due in part to better pay and opportunities elsewhere but also attributed by many former and current employees to low morale in the Department and lack of management support.
- ◆ The Department's management structure includes a Planner V with an annual salary and benefits costs of \$132,328 and five Planner IVs in the Major Environmental Analysis unit with annual salary and benefits costs of \$111,512 each at the maximum step. These positions and salaries are not justified by the number of staff reporting to these positions or the functions overseen. By consolidating the Department's administrative functions and 21 positions under a single manager and assigning the same ratio of supervisors to staff planners in Major Environmental Analysis as in other units of the Department, the Planner V position could be deleted and three Planner IVs could be reclassified to Planner IIIs, reducing annual salary and benefits costs by \$184,789.
- ◆ Planning fees are recovering more than actual costs for some types of applications and not fully recovering the costs for others, reflecting the absence of a fee-setting methodology based on a consistent, systematic approach to identifying and incorporating all appropriate direct and indirect costs into the Department's fees.
- ◆ The Department does not plan adequately for enhanced use of information technology, has inadequate system documentation and quality controls over existing computer applications and data input, as exemplified by the absence of a computerized environmental review caseload tracking mechanism, and insufficient coordination with the Department of Building Inspections' computerized permit tracking application.

- ♦ The Department's management needs to better inform staff about and encourage participation in training opportunities.
- ♦ The Department has a backlog in Code Enforcement cases of 3,550 that should be cleared.
- ♦ The Department does not collect Code Enforcement fees as allowed by the Planning Code.

Recommendations included in this audit report would:

- clarify and codify annual Department goals and objectives and improve Board of Supervisors involvement in setting goals, objectives and priorities;
- improve the Department's reporting and accountability to the Board of Supervisors through an annual report of actual Work Plan accomplishments;
- increase and formalize community involvement in the long range planning process;
- establish a management mechanism for monitoring and enforcing Department compliance with State development project application processing time limits and information disclosures to the public;
- improve management's efforts to reduce staff turnover;
- streamline the management structure by reducing the number of management and supervisory positions in the Department through reorganization;
- rationalize the method for determining Department fees to ensure that all appropriate direct and indirect costs are recovered;
- establish a multi-year plan guiding the use and enhancement of the Department's information technology;
- document and improve quality control of existing information systems; and
- enhance Planning Code enforcement.

The following summarizes the findings contained in our report.

1. Commission Compliance with State and Local Mandates

- The Planning Commission is not fulfilling three of its key State and local mandates: 1) formulating, evaluating and approving goals, objectives and plans and programs for the Planning Department; 2) setting policies consistent with the overall objectives of the City and County as established by the Mayor and the Board of Supervisors in accordance with legislation approved by the Board of Supervisors of San Francisco; and, 3) promoting coordination of local plans with the plans and programs of other public agencies.
- Commission formulation and evaluation of goals, objectives and plans and programs can best be accomplished through a multi-year strategic planning process. Such a process, with linked goals, objectives and action plans and a system for measuring actual results is not in place.
- Input by the Board of Supervisors regarding the goals, objectives and policies for the planning function is limited primarily to the annual budget process and independent adoption of legislation by the Board. The Planning Department does not have a process to work collaboratively with the Board of Supervisors in developing significant planning related policies or goals and objectives with the Planning Commission. Using the budget process to fulfill this role has limitations because of the budget's single year time frame and because of the Director's discretion to transfer funding between projects and because of inconsistencies between the Department's Work Program and budget structure. The Department's accountability to the Board of Supervisors is limited because a method does not exist for reporting actual Work Program activities accomplished, projects completed or other measures of Department performance.
- Coordination of plans between the Planning Department and other agencies involved in local land use and planning is required by State law. A number of local agencies report that Planning Department coordination efforts are not satisfactory. For example, the San Francisco Transportation Authority reports that it had no forewarning of an idea presented by the Planning Department to ban vehicles on Van Ness Avenue even though such action would have significant impact on Citywide transportation projects and funding for which the Authority is responsible. A review of the Department's accomplishment of activities specified in formal agreements with two local agencies, the Redevelopment Agency and the Transportation Authority, shows that the Department is not fulfilling its requirements in coordination with these agencies.

Recommendations

The Planning Commission should:

- 1.1 Prepare a long range strategic plan integrating a broad set of short- and long-term goals, objectives and action plans for the Commission and the Planning Department, including timetables and specific measurements of plan accomplishment;
- 1.2 Establish an annual process for formally receiving input from the Board of Supervisors and the public regarding goals and objectives for the planning function and incorporate them into the establishment of and annual updates to the strategic plan;
- 1.3 Develop a process for annually evaluating accomplishment of the strategic plan including measurements of actual performance and timetables of projects and activities included in the plan;
- 1.4 Require the Planning Director to structure the Department's annual Work Program to present the link between planned activities and strategic plan goals and objectives;
- 1.5 Require the Planning Director to provide a detailed reconciliation between the annual Work Program and the budget each year after the annual budget is adopted and to provide this to the Commission and the Board of Supervisors;
- 1.6 Establish coordination and cooperation with other City agencies as a performance measurement for the Planning Director and measure actual results in this area through an annual survey of other agencies involved in planning and land use, to be presented to the Commission.

The Planning Director should:

- 1.7 Include supporting information with the Planning Department's budget in order to delineate expenditures and revenues for each of the Department's five divisions.

Costs and Benefits

There would be no new direct costs incurred by the Department in implementing these recommendations. The benefits would include establishment of a set of goals,

objectives and priorities to guide Department management in allocating staff and other resources. These goals, objectives and priorities would include input from the Board of Supervisors, obtained through a formalized collaboration process. Action plans would be established that are tied to an overriding set of goals and objectives and a process for evaluating actual accomplishment of the goals and objectives would be in place. A consistent structure would be applied to the Department's annual Work Program, the budget approved by the Board of Supervisors and the Department's organization structure, enabling the Planning Commission and the Board of Supervisors to better understand the actual impact of funding of programs and activities. The Department would become more accountable for its activities through regular reports to the Commission and the Board of Supervisors showing actual projects and work performed each year compared to work planned and funded for the year. Coordination and cooperation with other local agencies involved in planning would be monitored and improved, based on the results of an annual survey of those agencies.

2. Planning Commission Discretion

- Unlike many other California cities, Conditional Use and Discretionary Review applications comprise the majority of items considered by the Planning Commission in San Francisco. These cases give the Planning Commission broad latitude including not approving development projects otherwise allowed by the Planning Code or approving projects without consideration of their precedent setting cumulative impacts. The fact that 60 percent of all cases heard by the Planning Commission in 2001 were Conditional Use and Discretionary Review cases is an indication of Planning Code shortcomings, adds significant cost and time requirements to the approval process and lends to the perception of an arbitrary and political approval process.
- Because of the frequent use of Conditional Use approval or Discretionary Review, approval of many planning projects is uncertain. Significantly, one goal of the Better Neighborhoods Program, which will add new neighborhood plans to the Planning Code, is to reduce uncertainty for planning projects in the neighborhoods. The Better Neighborhoods area plans will use a program Environmental Impact Report (EIR) and a development and zoning plan for the neighborhood. If a proposed project complies with the program EIR and neighborhood development and zoning plan, then the project would be approved administratively. These new plans should also result in a reduction in Discretionary Review applications as acceptable development standards will have been defined by the community.

- The Planning Code needs review to identify instances when allowing projects through Conditional Use approval could result in failure to conform with the General Plan or the intentions of the Planning Code. The Planning Department should identify and propose revisions to the Planning Code that would result in firmer zoning controls that allow Code compliant projects to be approved administratively by the Department. Such a review should include a community planning process, such as community planning committees in which communities can participate in defining acceptable development in their areas.

Recommendations

Based on the above findings, we recommend that the Director of the Department of Planning:

- 2.1 Review the Planning Code to determine instances where application of Conditional Use could result in failure to conform with the General Plan or comply with the intentions of Planning Code regulations, particularly on a cumulative basis;
- 2.2 Assign Citywide Policy and Analysis and Neighborhood Planning staff to work with community planning committees to identify and propose Planning Code changes that set firmer zoning requirements for projects within specific zoning districts; and,
- 2.3 Present a proposal, including goals, timelines, and measurable results, to the Board of Supervisors during the FY 2002-2003 budget process for the review of the Planning Code application of Conditional Use.

Costs and Benefits

The above recommendations would increase overall conformity with the General Plan and reduce inconsistencies between the General Plan and the Planning Code by setting clearly-defined limits for projects in each zoning district and reducing the number of projects approved on a case by case basis. Further, the above recommendations would allow more consistent community participation in identifying the types of projects suitable for their zoning district. A reduction in the number of Discretionary Review cases should also result as community members are allowed to define acceptable development for their neighborhoods.

The Department should incorporate the proposed process for revising the Planning Code into existing or proposed Department community planning programs and to

adjust the annual Work Program to accommodate the Planning Code revision process.

3. Industrial Protection Zones, Live/Work Projects and Community Plans

- There has been significant neighborhood opposition, numerous Planning Commission hearings and adoption of many resolutions regarding live/work projects in the City's industrial zones and surrounding neighborhoods over the last five years. In spite of that, in the four-year period from 1997 through 2000, more than 1,400 live/work units were completed and 3,148 were in the pipeline. During that period and through today, the Planning Department has not proposed and the Planning Commission has not adopted permanent zoning controls for the industrial zones. Because the Planning Department was not responding to concerns about live/work and office development in the Mission District, that neighborhood developed their own interim zoning controls, which were adopted by the Board of Supervisors, without Planning Department participation. The Planning Department only began a community planning process to develop permanent zoning controls in the City's eastern neighborhoods, including the Industrial Protection Zones (IPZs), in the fall of 2001.
- Not just the construction of live/work projects, but the failure of live/work projects to be used either as artist work spaces or, in some instances, as residences at all, was discussed before the Commission by neighborhood organizations, community members, and staff on many occasions. Due to the lack of Planning Code clarity on the extent to which the live/work unit occupant must engage in arts activities or on the definition of "work" as a component of "live/work", the Planning Department has determined that enforcing the art or work component of live/work is not feasible. Because the cost of live/work units is high, they are no longer affordable as artist work space, and some live/work units in the Mission and South of Market have been reportedly converted to office use. Although in the May 1999 Planning Department report to the Planning Commission, the Department listed failure to enforce Planning Code live/work regulations as one of the contributors to the growing problem of live/work development, the Planning Department did not have a team dedicated to enforcing planning regulations prior to FY 2001-2002.

- Conditional use approval and discretionary review of live/work projects has resulted in a large number of live/work projects being developed. Though the Planning Commission has found otherwise, the cumulative effect of these live/work projects do not conform with General Plan policies, especially policies to conserve and promote housing development and neighborhood character, produce affordable housing, and protect industrial and service sectors from displacement.

Recommendations

Based on the above findings, the Director of the Planning Department should:

- 3.1 Submit amendments to the approved annual Work Program and budget in writing to the Board of Supervisors, as well as the Planning Commission, with an explanation of the Department's reasons for selecting reductions to each program, in order to ensure that sufficient resources are allocated to the long range planning process and the development of zoning controls in the traditionally industrial zones of the City;
- 3.2 Develop a stricter definition of "live/work", including defining live/work projects as housing and defining the zones in which live/work projects are permitted, and recommend Planning Code revisions to the Planning Commission;
- 3.3 Rigorously identify which projects are permitted or not permitted and limit the types of projects subject to conditional use in developing the community plans and the permanent zoning controls and recommend Planning Code revisions to the Planning Commission; and,
- 3.4 Develop a formal tool for assessing and incorporating community input in the community plans.

Costs and Benefits

By developing a stricter definition of "live/work" in the Planning Code and limiting the types of projects subject to conditional use or discretionary review in the new proposed zoning controls, the Planning Department and Planning Commission would make clear the types of projects permitted under the Planning Code, and would reduce the cumulative impact of projects which fail to conform with the General Plan. Developing a formal tool to assess and incorporate community input into the community plans would give community organizations a clearer voice in the

planning process. Submitting written amendments to the annual work program and budget to the Board of Supervisors would enable the Board of Supervisors to more closely monitor the allocation of resources to long range planning programs.

These recommendations can be incorporated into the existing Planning Department community planning process without additional costs.

4. Community Participation

- The Planning Department has only recently engaged community organizations in policy and long range planning. Although the Department created the Neighborhood Planning Unit and organized current planning functions into neighborhood teams in FY 1997-1998, the neighborhood teams have not worked regularly with neighborhood organizations. Prior to FY 1999-2000, the long range planning process was not structured to promote community involvement in the planning effort. In FY 1999-2000 the Department implemented a comprehensive neighborhood planning program, the Better Neighborhoods program at the initiation of San Francisco Planning and Urban Research (SPUR), which incorporates community input into the planning process. The Department has recently implemented a community planning process in the five eastern neighborhoods of the City to develop new permanent zoning controls in those neighborhoods.
- Planning Commission meetings are not generally structured to discuss policy matters and engage the community in the decision making process. The Planning Commission considers individual planning projects far more often than broader Citywide policy matters. Community members can speak to specific projects or during the public comment period now scheduled for the end of each meeting, but the Commission does not regularly schedule public hearings on policy or planning issues, and therefore, does not provide an ongoing forum for community input on policy and planning.
- An alternative to San Francisco's approach to community planning would be to establish ongoing community planning committees. The cities of San Jose, Portland, Oregon and San Diego County, for example, have formed regional planning groups to advise their legislative bodies, planning directors and planning commissions on long range planning policies.

Recommendations:

Based on the above findings, the Board of Supervisors should:

- 4.1 Establish advisory community planning committees in each of the eleven districts of the Board of Supervisors and appoint representatives to the community planning committee within the district; and,
- 4.2 Consider establishing a steering committee, comprised of one representative from each of the community planning committees, and an advisory interest committee, comprised of members of professional architecture and planning associations, building and land use groups, environmentalists, and other stakeholders in the planning process.

The Planning Commission should:

- 4.3 Establish regular planning policy workshops to provide an opportunity for Commissioners and community members to participate in a more general discussion about planning issues.

The Planning Department should:

- 4.4 Develop work plans that incorporate the community planning committees in developing General Plan and Planning Code proposals.

Costs and Benefits

These proposals would create an ongoing process for the community and stakeholders in the planning process to advise the Board of Supervisors, the Planning Commission and the Planning Department. The proposals would also provide a forum before the Planning Commission to discuss planning policy overall.

The establishment of the community planning committees would not have a direct cost impact. Working with the community planning committees should be incorporated into the existing Planning Department budget.

5. Long Range Planning Program Management

- The Planning Department's Citywide Policy and Analysis Unit projects are often not completed by their target completion dates. Delays in project completion

ranging from five months to more than three years were found for at least ten projects. The Citywide Policy and Analysis Unit carries some projects forward from year to year, such as revision of General Plan elements, and submits new deferred target completion dates in its subsequent annual Work Programs. For ongoing projects, the Citywide Policy and Analysis Unit does not always dedicate sufficient resources to accomplish the activities outlined in the Work Program.

- Several factors lie behind the Planning Department's inability to consistently complete its long range planning projects. Long range planning priorities can change during the course of the year, causing the Department to set aside or delay projects with longer timelines for new projects with shorter timelines.
- In other instances, the Planning Department proposes long range planning projects in the annual Work Program but then does not have sufficient resources to complete all projects as the Work Program is not balanced with budgeted resources.
- The Department's Citywide Policy and Analysis Unit does not consistently develop formal work plans and timelines for all of its long range planning projects.
- The Planning Commission has not directed the Planning Department to complete and present draft policies, such as the Land Use and the Preservation Elements. Because the Planning Commission does not call for draft policies to be scheduled on the Commission's agenda for public hearing, longer term planning projects are set aside for more short term projects. Although priorities are often determined by the immediacy of a project, draft General Plan elements that underpin the long range planning process remain unfinished.
- The Director of Planning and the Chief of Citywide Policy and Analysis need to work with the Planning Commission, the Board of Supervisors and the community to define long range planning priorities for each coming year, including identifying and maintaining sufficient resources to achieve long range planning goals.

Recommendations

Based on the above findings, we recommend that the Director of the Planning Department:

- 5.1 Identify and maintain sufficient resources to achieve the Department's long range planning goals and present changes in the Citywide Policy and Analysis Work Program to the Planning Commission for public review and discussion;
- 5.2 Develop well-formulated realistic work plans for long range planning projects and rigorously monitor work plan timelines;
- 5.3 Work with the Planning Commission to request the completion of and public hearings regarding draft long range planning policies before the Commission; and,
- 5.4 Direct the Chief of the Citywide Policy and Analysis Unit to present monthly status reports to the Director of Planning on all projects, including all hours spent compared to the number planned, milestones accomplished, and explanations for any delays.

Costs and Benefits

Our proposed recommendations would not result in increased costs to the City. These recommendations would assist the Planning Department set long range planning priorities and achieve long range planning goals, consistent with the goals of the Planning Commission, the Board of Supervisors and the community.

6. Permit Streamlining Act

- State law governs many aspects of the development project approval process administered by planning agencies. It requires that certain information be provided to applicants and sets time limits on the key phases of the application review process including determining if an application is complete, analyzing and acting on proposed projects and environmental review.
- The various State Government Code sections known as the Permit Streamlining Act require that development project applications be reviewed and their completeness determined within 30 days of submission. Once determined complete, processing and making a decision on the application can consume no more than 60 days for cases that do not require an environmental impact report. For those cases requiring environmental review that receive Negative Declarations of environmental impact, environmental review can take no more than 180 days.

Honorable Jake McGoldrick, Chair

and Members of the Transportation and Commerce Committee

Board of Supervisors

June 3, 2002

Page 16 of 34

- The Planning Department is not operating in compliance with State time limits on development project applications. The process for determining completeness is unclear and often consumes more than 30 days. Median processing time for a sample of 19 cases approved in 2001 that did not require environmental impact reports was 80 days, which is 20 days more, or 33 percent, than the 60 maximum days allowed by State law. A similar analysis of environmental review case processing time is not possible because the Department does not keep records of when applications are determined complete, the starting point for State environmental review time limits. However, median processing time for a sample of 56 environmental review cases was 211 days, or 31 more than the 180 day maximum allowed by State law. Even if staff took the full 30 days allowed by State law to determine application completeness on all these cases before beginning their evaluation, 28 cases, or half of the cases reviewed, still exceeded the State time limits.
- The Department does not have a system in place for tracking compliance with Permit Streamlining Act time limits. Many of the key dates needed to determine compliance are not recorded on the Department's case tracking computer system making it impossible to determine compliance with the State time limits without a manual review of case records. While applicants are just as often the source of delays in case processing as staff, the Department does not have a method of suspending cases where applicants are the source of delay.
- Application forms and materials are confusing and do not provide written information to applicants required by State law. The State requires disclosure of Permit Streamlining Act time limits for determination of application completeness and case processing, a list of materials required for each type of application to be determined complete and the criteria by which the Department determines if applications are complete.

Recommendations

Based on the above findings, it is recommended that Planning Department management:

- 6.1 Clarify the process and instruct staff on what qualifies for determining application completeness and the need to comply with the State mandated 30 day time limit;

- 6.2 Revise all Department application forms, printed materials and the web site to include: detailed lists of all information and materials that will be required of applicants, including items that are not mandatory but commonly required for project types most frequently reviewed by the Department;
- 6.3 Revise all Department application forms, printed materials and the web site to state that all applications will be reviewed and their completeness determined within 30 days of submission and to disclose the criteria by which completeness will be determined;
- 6.4 Revise all Department application forms, printed materials and web site to include disclosure of all Permit Streamlining Act and California Environmental Quality Act (CEQA) time limits;
- 6.5 Instruct all staff on time limits and the importance of compliance;
- 6.6 Add necessary data collection ability to the Parcel Information Data Base to capture all key milestone dates needed for compliance with State case processing time limits, including date application submitted, date application determined complete/incomplete, date Initial Study of environmental impacts completed, date of environmental review action, and date of final action on application;
- 6.7 Add necessary data collection ability to the Parcel Information Data Base to capture other key dates in the process to identify backlogs such as date of case assignment to a planner, date work commenced, and others;
- 6.8 Collaborate with the Department of Building Inspection regarding adding fields to collect key milestone dates on the Permit Tracking System to track Permit Streamlining Act compliance, case backlogs and pending applications;
- 6.9 Assign responsibility for accurate and complete data entry by their staffs to all Department neighborhood Planning managers; and,
- 6.10 Begin production of a regular monthly report for the Director showing compliance with Permit Streamlining Act and CEQA requirements, case backlogs and other relevant information to enable management to expedite permit processing to the extent possible.

Costs and Benefits

There would no new direct costs associated with these recommendations. Modifications to the Department's Parcel Information Database System should be able to be accomplished in-house and revisions of forms, brochures and the web site should not result in costs of any significance to the Department. The benefits of the recommendations would include a more clear, well documented process for applicants, improved management oversight of the environmental review and case review processes, management information reports necessary to facilitate changes in processes or staffing to expedite case processing, and improvements in case processing cycle time.

7. Planning Staff Turnover and Vacancies

- Turnover for Planner staff in the Planning Department since FY 1997-1998 has increased steadily. The turnover rate in FY 1997-1998 was 9 percent and doubled to 18 percent in FY 2000-2001. From July 2000 through September 2001, 25 Planners in Planner II through Planner V classifications resigned from the Department, or approximately 30 percent of the staff in those classifications. Due to the high turnover, the Department has a correspondingly high number of vacancies. The average number of vacancies in any given month for all positions in calendar year 2001 was 13.67, or approximately 10 percent of the staff.
- Turnover among Planners has resulted from multiple factors, including poor morale due to high workload and lack of management support, lack of career opportunities within the Department, and higher pay and better job opportunities elsewhere.
- Frequent vacancies and hiring of new staff has resulted in insufficient or inexperienced staff performing the work, thus increasing the workload for existing and more experienced staff. Turnover has resulted in insufficient experienced staff to process more complex cases and in backlogs in processing planning development projects applications. While turnover is costly in any organization, it has particular impact in the Planning Department where institutional history plays a key role in interpreting the Planning Code for development project applications.
- While some turnover will always occur, the Planning Department should implement policies to minimize internally caused turnover by improving staff

morale, improving communications between planning staff and the Department management and Planning Commission, increasing career opportunities, and promoting a flexible working environment. Such policies should include ongoing morale surveys, new and more frequent communication channels between senior management and Planners, flexible work schedules, and regular study sessions with staff Planners and Commission members.

Recommendations

Based on the above findings, it is recommended that the Director of the Planning Department:

- 7.1 Require Department managers to conduct annual performance evaluations for all staff Planners to increase the level of communication between management and staff and to provide feedback to staff on job performance;
- 7.2 Conduct annual morale surveys to identify workload problems, communication failures between staff and Department management or the Planning Commission, and other factors contributing to poor staff morale. The results of the morale survey should be presented to the Planning Commission and used as a factor in an annual evaluation of the performance of the Department Director;
- 7.3 Increase work opportunities for staff Planners by assigning Neighborhood Planning staff to special projects other than application processing and establishing teams from Citywide Policy and Analysis and Neighborhood Planning to work on specific issues or geographic related tasks;
- 7.4 Improve communication between staff and senior management, by delegating more decision making responsibilities to Planner V staff, regularly attending division staff meetings or holding regular Department-wide staff meetings, increasing Zoning Administrator drop-in hours, and setting up communication channels, such as regular email access;
- 7.5 Assist new and inexperienced staff in Neighborhood Planning by assigning mentors to junior staff and increasing team leader participation in project reviews;
- 7.6 Adopt and implement the Department's draft policy for reduced work schedules and draft a telecommuting policy; and,

- 7.7 Ensure that in the future, exit interview results for all separating employees are captured through use of the City's new Exit Interview Survey and regularly reported to management with recommendations for any necessary remediation.

It is recommend that the Planning Commission:

- 7.8 Implement regular study sessions for Planning Department staff and Commission members to discuss planning policies and procedures.

Costs and Benefits

The above recommendations would not result in increased direct costs. Because these recommendations are intended to improve staff morale and reduce turnover, successful implementation would result in reduced costs from decreased turnover, job vacancies, and hiring and training of new staff.

8. Efficiency and Effectiveness of Public Information Center (PIC)

- The Department's Public Information Center (PIC) is one of the primary points for staff planners to provide information to the public. However, (a) service and information are unevenly dispensed, (b) policies and procedures for service provision at the PIC are not up to date, (c) physical arrangements and signage at the PIC are inadequate and sometimes confusing for the public, (d) accurate and useful data regarding public use of the PIC are not collected, (e) available technology applications are not used at the PIC, and (f) staff assignments to and rotation at the PIC are not made uniformly. Taken together, all of these symptoms reflect an operation that--while perhaps improved over historical service-- remains inefficient and does not always evidence necessary quality assurance measures in providing information.
- Since the Budget Analyst's 1988 audit of the Planning Department, it has implemented the two recommendations made at that time for the Planning Commission; (set specific objectives for providing information services and establish hours of operation), and four of the six recommendations for the Director; full-time planners allocated to PIC, handout materials review, Information Manager reporting to Director, and enhance status of Information Office.

Recommendations

Based on the above findings, it is recommended that the Planning Director:

- 8.1 Accelerate the physical improvements to the PIC that expand the service area, revise signage, eliminate the 15-minute time limit on staff services (sign), install improved seating, and move telephones;
- 8.2 Employ a revised tally sheet to ensure useful and accurate data are collected, including:
 - (a) A more detailed data collection process should be accomplished during a two-week "ratings period" in the spring, summer, fall and winter of each year;
 - (b) Data should be maintained on a rolling three-year basis. That is, the results should be averaged over a three-year period with annual updates, adding the most recent year and deleting the oldest;
 - (c) The design of the modified tally sheet should accommodate input from planners in all organizational units to document their project activity as well as interaction with the public during the "ratings period." This will augment the time reporting system;
 - (d) The modified tally sheet should reflect streamlining to accommodate checklists for ease of planner use and input into the Department's automated information system; and
 - (e) Managers should be expected to provide very close scrutiny and supervision as well as real-time approval over the completion of tally sheets and timesheets during this period. The process should be designed and implemented as a self-auditing one with the source documentation maintained in a separate, secured place in the Finance Unit.¹
- 8.3 Emphasize the importance of PIC training for staff and see that service data are used to develop targeted instruction;

¹ Finance is most appropriate for this placement because (a) the documentation on planners should not be in the custody of planners, (b) the data are integral to the fee recovery process, and (c) this location provides more direct access for management review.

Honorable Jake McGoldrick, Chair

and Members of the Transportation and Commerce Committee

Board of Supervisors

June 3, 2002

Page 22 of 34

- 8.4 Encourage reservations for persons wishing to access planning services at the PIC;
- 8.5 Consider reviving the internal Planning Code Simplification Project to determine what resources are needed for its completion and then schedule if practicable;
- 8.6 Update, then implement a streamlined policy and procedures manual for the PIC including discussion of basic customer service and the importance of communicating to customers that help will be forthcoming when there are backlogs at the Counter;
- 8.7 Develop an assignment and rotation system that ensures balanced staffing for the PIC from all organizational units and enables employees who have expressed a preference for the PIC to be assigned beyond their scheduled shifts;
- 8.8 With assistance from the Department's Chief Financial Officer, prepare and implement written procedures for handling cash at the PIC;
- 8.9 Designate a set number of hours per week for assigned staff to work exclusively on updating all handout materials; and
- 8.10 Vigorously encourage and support the prioritization of on-line computer applications as a means to provide accurate, consistent and timely information to users of the Department's services.

Costs and Benefits

Costs to the Department for expansion and improvement of the Public Information Center cannot be accurately determined at this time, in part because of the potential funding from the Friends of Planning, a not-for-profit organization dedicated to providing resources to the Department. Similarly, implementing some of the information systems solutions is already budgeted –these item are more a matter of timing than of funding. Other proposed recommendations are actually net no-cost methods that replace existing practice. Overall benefits include more effective and consistent service delivery, and improved employee morale.

9. Organization and Management Structure

- Besides the Director and the Zoning Administrator, the Planning Department's management team is comprised of six Planner Vs, one Manager of Finance and Administration, and the Planning Commission Secretary. The Planner Vs oversee 119 of the Department's 147 authorized full-time equivalents. The Manager of Finance and Administration oversees eight and the Planning Commission Secretary oversees five administrative positions.
- Responsibilities are not equally distributed between the six Planner V's. Three share management responsibility for all Neighborhood Planning functions including processing development applications, code enforcement, building permit review, and the landmarks process; one is responsible for long range planning, one is responsible for environmental review and the sixth Planner V is responsible for information systems and the Public Information Center. Given the lower number of functions and staff positions in the Information Services/Public Information Center unit compared to the other units, management of this unit by a Planner V position at an annual salary and benefits cost of \$132,328 at the maximum step is not warranted or appropriate.
- The Department's 21 administrative positions are now split between three managers, one of whom is also Secretary to the Planning Commission. Consolidation of all administrative functions under a single manager would result in more efficient operations and would also allow the Department to streamline its management structure by deleting one manager position through attrition and reduce its management costs by approximately \$132,328 per year in salaries and benefits. The number of reporting positions under a consolidated administrative structure would be appropriate for a position at the level of the Manager of Finance and Administration.
- The number of supervisors per staff planner in the Major Environmental Analysis Unit is 3.2 compared to a median of one supervisor for every 6.5 planners for the rest of the Department. By applying the 6.5 median supervisory ratio to the Major Environmental Analysis unit, the number of supervisors could be reduced by three, by reclassifying downward three Planner IV positions to three Planner III positions, reducing salary and benefits costs by approximately \$52,461 per year.

Recommendations

Based on the above findings, it is recommended that the Board of Supervisors:

- 9.1 Delete one Planner V position from the Department's budget when attrition allows;
- 9.2 Reclassify downward three Planner IV positions to three Planner III positions from the Department's budget when attrition allows.

The Planning Director should:

- 9.3 Restructure the organization by transferring the administrative functions now under the Planning Commission Secretary and the Information Services division now under a Planner V to the Manager of Finance and Administration.
- 9.4 Transfer responsibility for the Planning Information Center to the Zoning Administrator as manager of the Neighborhood Planning unit.

Costs and Benefits

Benefits of the above recommendations would include consolidated administrative services, all reporting to a single manager, better utilization of the Manager of Finance and Administrative position and more equitable levels of responsibility for all managers and supervisors. Salary and benefits costs would be reduced by approximately \$184,789 per year at the maximum salary step (\$132,328 for the deleted Planner V + \$52,461 for the three Planner IVs reclassified to the Planner III classification).

10. Department Fees and Cost Recovery

- The Department's fee revenues of \$10.2 million recovered approximately 75 percent of the Department's costs in FY 2001-02. A high recovery rate is predicted for FY 2001-02 though less than the previous year due to the economic slowdown. Approximately 90 percent of all fee revenue is generated from just five development project application types: 1) building permits; 2) conditional use approvals; 3) environmental review; 4) variances; and, 5) downtown control exceptions.

- The Department does not use a single method for determining its development project application processing fees. Some are based on project valuations, some on estimated staff costs and some on a time and materials basis. State law mandates that revenue from these fees cannot exceed the actual costs incurred in processing the applications. Most of the Department's fees currently recover more than the related costs using the Department's current cost estimating techniques, contrary to State law. However, all actual costs of processing applications, including direct staff time, appropriate indirect costs such as information systems support, related long range planning, and administrative support, are not properly accounted for in the existing fees. The Department needs to rationalize its fees by ensuring that all costs that contribute to application processing are included in its fees.
- The Department does not have a single integrated system for tracking staff hours and application revenues. There are discrepancies in the three sets of computerized records that now store the information needed to analyze costs and revenues by application type. Data input by staff in to the Time Accounting system is not verified or subject to quality control as it should be before being used as the basis for fees.
- The Department is subject to variations in its main revenue sources based on economic cycles. This can affect its ability to fund long-term projects such as information technology upgrades. Establishing a component of all fees that could be placed in reserve and used for known, approved future costs may be an option for solving this problem.
- Collection of special fees such as affordable housing and child care fees is not always done in a consistent and timely manner although it appears that the Department has collected the appropriate fees from all applicable projects. Most of the Controller's analysis and recommendations regarding Special Fees are in process and should continue to be implemented.

Recommendations

Based on the above findings, it is recommended that the Planning Commission:

- 10.1 Develop and adopt a policy that clearly delineates the overall approach to establishing and regularly adjusting the schedule of fees for planning services while specifying an approach based on total actual costs and the appropriate application of project valuation;

10.2 Direct staff to develop a method, consistent with the above policy, for establishing all fees and to propose fee adjustments that are based on actual historic staff costs for each type of development project application and all allowable and appropriate indirect costs that are directly attributable to processing applications including administrative and support costs, a portion of long range planning, and all allowable countywide indirect costs; and,

10.3 Adopt the new fee schedule when staff has completed its analysis.

Also based on the above findings, it is recommended that the Director of the Planning Department:

10.4 Immediately design and implement a method for insuring accurate capture of staff time expended on planning services within the Department's different organizational units;

10.5 Accelerate implementation of the Controller's recommendations pertaining to Special Fees. However, carefully review the Treasurer's current proposal for centralized collection of all fees to ensure that the Department cooperates with the appropriate departments in implementing the process determined to be in the City's best interest;

10.6 Determine if there are projects not included in the Controller's sample of 32 projects that are subject to special fees and any amounts paid and due, e.g., projects smaller than 25,000 square feet in size as well as all hotel and residential development;

10.7 Enter details of all approved special fees in the Parcel Information Database at the time of project approval;

10.8 Prepare an annual Special Fees Information Report and submit it to the Planning Commission, including a comparison with the total square footage of all approved project types in the same period;

10.9 Ensure that the Parcel Information Database includes appropriate fields for fees that correspond to the fee-related fields in DBI's Permit Tracking System;

- 10.10 Develop and install a quality assurance/quality control procedure to ensure that all fee related computer data entries are timely and accurately made, and with the appropriate and clearly auditable managerial approval;
- 10.11 Obtain input from the Controller and City Attorney and report back to the Planning Commission regarding the feasibility of placing a portion of fee revenues in a reserve fund for pre-approved, future costs such as technology system upgrades.

Costs and Benefits

Implementation costs for the above recommendations would consist primarily of staff time. The benefits would include a more rationalized approach to Department fees and greater compliance with State law in this area. It is not possible to determine if fee revenue would increase or decrease until the Department develops a method for accounting for all of its direct and indirect costs associated with development project application processing. Other benefits would include improved accountability and reporting of the collection of special fees such as the affordable housing and child care fees.

11. Current and Planned Information Technology

- The Department's information technology function can be characterized in the following manner: (a) inadequate use of the Internet for a broad range of planning applications, (b) insufficient coordination and interface with the Department of Building Inspection's Permit Tracking System, (c) need for completion and documentation of the Parcel Information Database and other systems, and, (d) lack of sufficient management controls over input for certain key applications.
- The function of information dissemination to the public and other users of Departmental services is not a high priority of the Department, staff services are not accurately tracked and special fees are not adequately monitored and are not always collected on a timely basis. Users of the Department's information systems do not have written guides or instructions, the system is not protected from internal misuse or abuse, and the possibility exists of crucial information systems development activity being curtailed.

Recommendations

Based on the above findings, it is recommended that the Director of the Planning Department:

- 11.1 Continue with strong commitment to the information technology function and ensure an appropriate level of dedicated financial support based on an updated Five-Year Plan that:
 - a. reflects short-term emphasis on working with the Department of Telecommunications and Information Services to expand internet access (for filing applications and tracking permits online, and allowing access to the Department's various databases).
 - b. includes specificity regarding the strategic approach to information technology and planning, project task prioritization, implementation schedules, estimated costs, and cost/benefit analyses of strategies and purchases.
 - c. prioritizes information technology projects to reflect mission-critical needs, consistency with Departmental goals and objectives, and necessary service enhancements.
- 11.2 Develop a timetable to accelerate the completion of all system documentation;
- 11.3 Prepare simplified user guides for staff and users of the Public PC;
- 11.4 Work with the Department of Building Inspection to ensure that compatibility of software versions and all issues of security are resolved so that interface with the Permit Tracking System is implemented before the end of this fiscal year;
- 11.5 Develop and install appropriate management and quality controls of Department applications to minimize erroneous content as well as system misuse and abuse;
- 11.6 Implement a schedule of training classes necessary to ensure the appropriate information technology proficiency for all levels of staff, including planners, support staff and IT staff; and,

- 11.7 Implement an annual staff customer satisfaction survey for the Information Services function and incorporate the results in the annual performance evaluation of the I. S. Manager.

Costs and Benefits

The resources necessary to implement the above short-term recommendations are believed to be contained within the Information Services Section budget. Future costs such as greater internet access will likely incur additional one-time costs. Prioritizing tasks and staff assignments will necessarily result in changes from the current course of action. Correspondingly, benefits are fully expected to include increased productivity and efficiency of staff, expanded public access, and greater overall customer satisfaction with the delivery of planning services.

12. Training

- While the Department maintains a strong internal technical training program pertaining to current planning and several employees believe that training overall is well done, many others are unaware of any training activity or of benefits available through labor negotiations. Still others see training as accessible only to “favored” employees and as funded by the non-profit support group for the Planning Department, “Friends of Planning.” The overwhelming single staff complaint was the lack of professional development opportunities as compared to the technical training in daily operations. It is important for the Department to support professional development activities because it demonstrates awareness of staff appreciation, can be used as a performance incentive, and funding outside the Department’s budget is available.
- This is an issue that adversely affects morale because the perception of a sizeable number of employees is of an inequitable distribution of a benefit that should be equally available to all. Many employees in this Department hold advanced degrees and want to further broaden their skill/knowledge base. Also, some view the funding of certain activities by the Friends of Planning as a situation in which staff generally should not participate because of a perceived conflict of interest. Use of such funding requires appropriate policies and procedures to eliminate any possible conflict and to ensure equitable and reasonable distribution of benefits across the entire Department.

Recommendations

Based on the above findings, it is recommended that the Director of the Planning Department:

- 12.1 Ensure that all classifications of employees are regularly made aware of the resources available and procedures required to access them for participation in the full range of training and development activities related to the various functional specializations of the Department;
- 12.2 Update the Department's policies and procedures as necessary to reflect and facilitate access to training and development resources;
- 12.3 Establish a policy clearly stipulating that all donations from the Friends of Planning must be of a nature and for products or services that benefit the Department as a whole and not just individuals;
- 12.4 Create the corresponding procedures to implement the policy in 12.3, above;
- 12.5 The Department should periodically review problem areas in the provision of technical services to determine where administrative or procedural modifications seem warranted as well as cost effective and possibly more appropriate than training solutions;
- 12.6 Examine ways in which effective functional integration and cross training can be achieved among the Department's major Divisions and implement a pilot program to accomplish this;
- 12.7 In the light of work process changes resulting from emerging technologies, evaluate the overall support staff function and determine how, if necessary, it might be restructured to ensure optimum utilization and effectiveness in the different Divisions; and,
- 12.8 Monitor the Department's training and staff development activities and report on them to the Planning Commission annually.

Costs and Benefits

The costs to implement the above recommendations are seen as negligible as no capital expenditure is necessary and the one-time administrative costs associated with the recommendations would be absorbed by the existing staff.

Honorable Jake McGoldrick, Chair

and Members of the Transportation and Commerce Committee

Board of Supervisors

June 3, 2002

Page 31 of 34

Benefits of the above recommendations would include updated policy and procedures, and improved communications and morale as well as an even better trained work force. Additionally, management can be seen as responsive to a specific concern voiced by rank-and-file employees.

13. Planning Code Enforcement

- The Planning Department has reconstituted and reorganized its code enforcement unit by allocating six positions to that function. In addition to a team leader and one clerical staff person, one planner is assigned to each of the four geographically-based quadrants within the Neighborhood Planning Division of the Department. Although this staffing level is significantly more than that dedicated for the decade of the 1990s, it is not sufficient to effectively manage the current backlog of Planning Code enforcement caseloads.
- As of March 5, 2002, the Code Enforcement unit had 732 active complaint cases, including 171 illegal signs, 147 illegal commercial uses, 121 building enlargements without a permit, 80 illegal units, 56 violations of approval conditions and others. However, only seven of 31 complaints newly recorded in February of 2002, were being investigated. Further, of 41 primarily recent Notice of Violation (NOV) reports referred from the Department of Building Inspection (DBI) to the Planning Department, none were in the possession of the Code Enforcement Unit. Thirteen of the 41 NOV cases were included in the Enforcement Unit's Complaint Tracking System, having been brought to the Enforcement Unit's attention through other means.
- According to the current Code Enforcement Manager, the Planning Department did very little Code Enforcement between 1988, the time of the previous Planning Department audit report, and 2000, and in fact, placed approximately 3,550 Planning Code complaint cases in an inactive status in 2001. The types of complaints included in the inactive status include all categories. The Code Enforcement Unit maintains lists of the inactive cases on notebook paper including the type complaint and other information, keyed to the address, but no electronic listing of the complaints, although the complaints were originally contained in an electronic database. Thus, planners in the Neighborhood Planning Division do not have ready access to the complete complaint history on applications being processed. Working with Code Enforcement planners, the Budget Analyst selected a sample of "inactive" complaint cases in order to determine the actual status of the case. Of 18 site visits to inactive case addresses, we were able to determine that at least nine Planning Code violations, primarily illegal dwelling units, still exist.

- The Planning Department has not obtained any Planning Code Enforcement fees since at least 1998, although fee recovery mechanisms exist for that purpose.

Recommendations

Based on the above findings, we recommend that the Director of Planning:

- 13.1 Emphasize the Planning Code enforcement responsibilities of the Neighborhood Planning Quadrant planners in order to assist the Code Enforcement Unit in bringing Planning Code enforcement under control;
- 13.2 Ensure that the Code Enforcement Unit properly processes all Notices of Violations referred by DBI;
- 13.3 Ensure that existing means of cost recovery for code enforcement activities are pursued vigorously;
- 13.4 Investigate the feasibility of obtaining new legislation to expand the types of Planning Code violations subject to the violation penalty fees, similar to those now charged for advertising sign Planning Code violations;
- 13.5 As new revenues are generated from the code enforcement fees recommended, temporary staff positions should be added to clear backlog cases to the extent their costs are covered by new fee revenue;
- 13.6 Conduct a review of the benefits and costs of requiring Notices of Special Restrictions on building code permits that have the potential for abuse, as was done in the recent past.

Costs and Benefits

The costs of implementing the above recommendations would primarily be staff time. The cost of salaries, mandatory fringe benefits, and vehicles to provide the Enforcement Unit of the Planning Department with four temporary additional Planners and two additional vehicles would be approximately \$398,608. To avoid net new costs, these positions should be added only when revenues from the recommended code enforcement related fees are sufficient to cover these costs. Bringing Planning Code enforcement under control would be a major benefit to the City.

The Planning Department's submission of a complete written response to the Budget Analyst's management audit report was untimely

When this management audit was authorized by the Board of Supervisors, the Board set a final report deadline of April 15, 2002. This deadline was communicated to the Director of Planning at the audit entrance conference on October 9, 2001.

To meet the audit deadline established by the Board of Supervisors, the Budget Analyst completed the audit field work and the draft report on March 28, 2002, when it was delivered to the Director of Planning. It was understood by both the Budget Analyst and the Director of Planning that the Director of Planning would provide a complete written response to the Budget Analyst's management audit report in order that the report could be transmitted to the Board of Supervisors by no later than April 15, 2002.

Since the Planning Department received our draft report on March 28, 2002, the Department has stated, on four separate occasions, that it would provide a complete written response to our report by certain dates. In each instance, the Department failed to submit such a written response, citing, among other reasons, "computer problems." Finally, on May 23, 2002, the Director of Planning provided his complete written response to the Budget Analyst's management audit report. This untimeliness in submitting a complete written response to our report is yet another example of the management deficiencies found in this management audit, in that the Planning Department repeatedly failed to meet its project deadlines.

Budget Analyst's comments on the written response of the Director of Planning

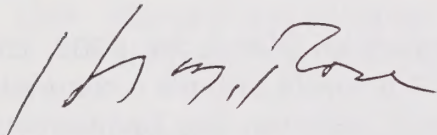
The Director of Planning's written response to our draft report is attached to this report beginning on page 179. Although the Planning Department response states that the Budget Analyst's draft report contains various "inaccuracies", the response states "we feel that the Budget Analyst's report contains much useful information and constructive recommendations which will be helpful in improving both the Planning Department and the Planning Commission's performances." In fact the Director of Planning has concurred with 59 or 83 percent of the Budget Analyst's 71 recommendations made to the Director of Planning. The Budget Analyst's response to the written response of the Director of Planning to our draft report is attached to this report starting on page 207. As a result of the written response from the Director of Planning, one of the 87 recommendations from the Budget Analyst's draft report has been withdrawn from our final report.

Honorable Jake McGoldrick, Chair
and Members of the Transportation and Commerce Committee
Board of Supervisors
June 3, 2002
Page 34 of 34

In his written response, the Director of Planning states "The Audit Report concludes from statistics that the Department is not complying with State law governing processing time. The numbers don't lie in terms of processing time. The report, however, does not recognize that the reality of the development process in San Francisco is the inclusion of community input, neighborhood meetings, and project alterations. This dialogue and community-based approach add time. This reality is not discussed and is not accounted for in the State law."

Based on this statement from the Director of Planning, it appears that the Director of Planning believes that he is fully justified in not meeting State deadlines and thereby not complying with State law. The Budget Analyst disagrees.

Respectfully submitted,



Harvey M. Rose
Budget Analyst

cc: Supervisor Hall	Hector Chinchilla, President, Planning Commission
President Ammiano	William W. Fay, Vice President, Planning Commission
Supervisor Daly	Roslyn Baltimore, Planning Commissioner
Supervisor Gonzalez	Cynthia Joe, Planning Commissioner
Supervisor Leno	Myrna Lim, Planning Commissioner
Supervisor Maxwell	Jim Salinas, Sr., Planning Commissioner
Supervisor Newsom	Anita Theoharis, Planning Commissioner
Supervisor Peskin	Gerald Green, Director of Planning
Supervisor Sandoval	
Supervisor Yee	
Mayor Brown	
Clerk of the Board	
Controller	
Ben Rosenfield	
Ted Lakey	

Table of Contents

<u>Section</u>	<u>Page</u>
Introduction	i
1. Commission Compliance with State and Local Mandates	1
2. Planning Commission Discretion	16
3. Industrial Protection Zones, Live/Work Projects and Community Plans ..	25
4. Community Participation.....	39
5. Long Range Planning Program Management.....	47
6. Permit Streamlining Act	60
7. Planning Staff Turnover and Vacancies	86
8. Efficiency and Effectiveness of Public Information Center (PIC).....	93
9. Organization and Management Structure	107
10. Department Fees and Cost Recovery	114
11. Current and Planned Information Technology	139
12. Training.....	150
13. Planning Code Enforcement.....	159
Appendices:	
Results of Survey of Other Jurisdictions.....	169
Written Response from the Director of Planning.....	179
Response of the Budget Analyst to the Written Response to our Draft Report from the Director of Planning	207

Introduction

Purpose and scope of audit

The Board of Supervisors requested the Budget Analyst to conduct a management audit of the Planning Department of the City and County of San Francisco in FY 2001-02. The purpose of the audit was to review and assess all aspects of the Department's operations and identify opportunities for improving the its economy, efficiency and effectiveness. The audit scope included all Department functions and areas of jurisdiction, including:

- Role of Planning Commission
- Department's strategic planning including systems for performance measurement
- Management accountability for performance
- Long range planning
- Current planning (processing of development project applications)
- Code enforcement
- Landmarks process
- Environmental review
- Public information counter
- Human resources management including recruitment, retention and turnover issues
- Staff training
- Department administration and internal services including information systems and uses of technology
- Fees and cost recovery
- Department's community outreach efforts
- Department staffing level and management structure
- Inter-departmental coordination

Audit Methods

Methods used for this audit included interviews with: an entrance conference with the Department Director and the Department's top managers; interviews with the President of the Planning Commission, Zoning Administrator and all managers; some or all supervisors from each division; the majority of planner staff from every division through focus groups; the Department's finance officer; the Department Information Services manager and selected staff from that division; and, individual administrative and support staff. Numerous individuals external to the Department were also interviewed including: former Department employees; representatives of other City and local agencies that interact with the Department on a regular basis; and, representatives of neighborhood, community groups and professional associations with an interest or involvement in the planning function.

Numerous Department documents were reviewed and analyzed including: staffing rosters and organization charts; numerous sections of the General Plan and Planning Code; Planning Commission resolutions and meeting minutes; Board of Supervisors legislation pertaining to planning; staff reports on a wide variety of topics; budgeted and actual expenditures and revenues for the current and previous four years; the Department's fee schedule; code enforcement records; documentation concerning the Department's information systems; turnover records; and, other documents. The Department's web site was reviewed as were brochures and handout materials provided to the public regarding development project applications and other Department functions.

A sample of Commission case files were reviewed to understand and track the application process from beginning to end. Processing cycle time was reviewed in this way in conjunction with special runs from the Department's computer systems. Certain cases were reviewed in greater detail including interviews with the staff planner for the case and reviews of relevant Planning Code and General Plan sections. All Planning Commission agendas and minutes from 2001 were reviewed and activities catalogued. Commission meetings were attended as were public meetings of the Zoning Administrator, the Landmarks Preservation Advisory Board and the Board of Appeals. Operations at the Planning Information Center were observed over a three day period.

A random sample of development project applicants were surveyed about their experience in going through the application and Planning Commission approval processes. This included Discretionary Review applicants as well as most other common type of applications. A survey was conducted of other cities throughout the California and the nation based on their comparability in size and scope or their reputations as leaders in the field.

Field work was conducted between October 2001 and March 2002.

Accomplishments of the Department

The Planning Department provides an extensive scope of services covering land use and development in most of San Francisco. While the Department's work is often technically complex, the staff faces the additional ongoing challenge of having to conduct their analyses on individual development projects and long range plans in an often contentious environment. Every week planning staff has to interpret the complex Planning Code and develop recommendations on projects that don't always please project applicants or neighbors. The Department operates an active training program for planning staff involved in processing development project applications.

The Department's long range planning unit has recently embarked on several innovative approaches to their efforts involving more extensive community involvement than has typically occurred in the past. The ongoing Better Neighborhoods program and the new community planning process for five neighborhoods both are taking the approach of involving the community in updating planning and zoning regulations for their neighborhoods. To improve public access to planning issues, the Department has recently

prepared a General Plan summary document that is visually appealing and easier to read than the full General Plan. To better address individual neighborhood concerns, the Department reorganized its staff responsible for processing development project applications into four geographic quadrants of the City.

The Department has made progress in a number of areas compared to the last management audit performed by the Budget Analyst in 1998. The Public Information Center is one example where substantial improvements have been made. The Department has reinstated its Planning Code enforcement effort and dedicated six staff positions for this purpose. The Department's office facilities and computer equipment have also improved.

Acknowledgments

The Budget Analyst would like to thank the management and staff of the Planning Department for their cooperation during this management audit. In addition, we would like to thank management and staff of the Department of Building Inspection for their assistance in this audit.

1. Commission Compliance with State and Local Mandates

- The Planning Commission is not fulfilling three of its key State and local mandates: 1) formulating, evaluating and approving goals, objectives and plans and programs for the Planning Department; 2) setting policies consistent with the overall objectives of the City and County as established by the Mayor and the Board of Supervisors in accordance with legislation approved by the Board of Supervisors of San Francisco; and, 3) promoting coordination of local plans with the plans and programs of other public agencies.
- Commission formulation and evaluation of goals, objectives and plans and programs can best be accomplished through a multi-year strategic planning process. Such a process, with linked goals, objectives and action plans and a system for measuring actual results is not in place.
- Input by the Board of Supervisors regarding the goals, objectives and policies for the planning function is limited primarily to the annual budget process and independent adoption of legislation by the Board. The Planning Department does not have a process to work collaboratively with the Board of Supervisors in developing significant planning related policies or goals and objectives with the Planning Commission. Using the budget process to fulfill this role has limitations because of the budget's single year time frame and because of the Director's discretion to transfer funding between projects and because of inconsistencies between the Department's Work Program and budget structure. The Department's accountability to the Board of Supervisors is limited because a method does not exist for reporting actual Work Program activities accomplished, projects completed or other measures of Department performance.
- Coordination of plans between the Planning Department and other agencies involved in local land use and planning is required by State law. A number of local agencies report that Planning Department coordination efforts are not satisfactory. For example, the San Francisco Transportation Authority reports that it had no forewarning of an idea presented by the Planning Department to ban vehicles on Van Ness Avenue even though such action would have significant impact on Citywide transportation projects and funding for which the Authority is responsible. A review of the Department's accomplishment of activities specified in formal agreements with two local agencies, the Redevelopment Agency and the Transportation Authority, shows that the Department is not fulfilling its requirements in coordination with these agencies.

State law requires each city and county in the state to assign its planning functions to a planning department, one or more planning commissions, administrative bodies or hearing officers and the legislative body itself¹. The primary roles and responsibilities of the Planning Commission and the Planning Department are dictated by a combination of State law and the Charter of the City and County of San Francisco.

¹ California Government Code §65100

State mandated functions

State law calls for city and county legislative bodies to specify the membership of its commission or commissions and for each planning agency to assume responsibility for:

- Preparing, periodically reviewing and revising, as necessary, a General Plan;
- Implementing the General Plan through actions including but not limited to administration of specific plans and zoning and subdivision ordinances
- Annually reviewing the capital improvement program for the city or county and the local public works project for consistency with the general plan
- Consulting with and advise public officials, citizens, public utilities, civic and other organizations regarding implementation of the general plan
- Endeavoring to promote public interest in the general plan
- Promoting the coordination of local plans with the plans and programs of other public agencies;
- Performing other functions as provided for by the legislative body.

Charter mandated functions

Pursuant to State law, the Charter establishes a seven member Planning Commission for the City and County of San Francisco, to be appointed by the Mayor for four year terms². It does not require specific qualifications or training for the members though, as with all City and County commissions, it is to be broadly representative of the community and comprised of electors of the City and County.

The specific duties of the Planning Commission outlined in the Charter include:

- Maintain and update the General Plan
- Propose ordinances regulating or controlling height, bulk, area, set-back, location, use or related aspects of any building, structure or land.
- Approve all permits and licenses dependent on, or affected by, the Planning Code
- Hear and decide on conditional use applications

² While this audit was in process, a ballot initiative, Proposition D, was passed by the voters in March 2002, changing the manner in which the Planning Commission will be appointed. Effective July 2002, the Board of Supervisors will appoint three of the seven Planning Commissioners and the Mayor will appoint four commissioners.

- Provide the Mayor with three qualified candidates for Director of Planning
- Approve permits and licenses governed by the Planning Code (may be delegated to the Planning Department)
- Enforce the Planning Code (may be delegated to the Planning Department)
- Appoint a Zoning Administrator to rule on zoning variance applications (to be delegated to the Planning Director)

Besides these functions specific to the Planning Commission, the general powers and duties of all City and County commissions, as outlined in the Charter, include:

- Formulate, evaluate and approve goals, objectives, plans and programs and set policies consistent with the overall objectives of the City and County, as established by the Mayor and the Board of Supervisors through the adoption of City legislation
- Develop and keep current an Annual Statement of Purpose outlining its areas of jurisdiction, authorities, purpose and goals, subject to review and approval by the Mayor and the Board of Supervisors;
- Prepare and submit the annual proposed budget
- Recommend to the Mayor for submission to the Board of Supervisors rates, fees and similar charges with respect to appropriate items coming within their respective jurisdictions;
- Submit to the Mayor at least three qualified applicants, and if rejected, to make additional nominations in the same manner, for the position of Planning Director, subject to appointment by the Mayor;
- Consider removal of the Planning Director if recommended by the Mayor
- Conduct investigations into any aspect of governmental operations within its jurisdiction through the power of inquiry, and make recommendations to the Mayor or the Board of Supervisors;
- Exercise such other powers and duties as shall be prescribed by the Board of Supervisors; and
- Appoint an executive secretary to manage the affairs and operations of the board or commission.

A review of Planning Commission meeting minutes and other Department documents and interviews with Department and other City representatives indicate that the Commission and

Department could improve its performance in three key areas from the its State and Charter mandates listed above:

- 1) formulating, evaluating and approving goals and objectives and plans and programs, as required by the Charter;
- 2) setting policies consistent with the overall objectives of the City and County, as also required by the Charter; and,
- 3) promoting the coordination of local plans with the plans and programs of other public agencies, as required by State law.

Establishment of goals, objectives, plans and programs

The Charter requirement that the Commission formulate, evaluate and approve goals and objectives and plans and programs consistent with the overall objectives of the City and County, as established by the Mayor and the Board of Supervisors through the adoption of City legislation can best be accomplished by a multi-year strategic planning process. Such a process should include a forum in which the Commission and Department staff, with input from the Board of Supervisors and the community, periodically assess short- and long-term planning issues facing the City, assess Department resources available, and develop short- and long-term goals, objectives and action plans to address those issues. A system for measuring results by regularly reporting on the status of the action plans and accomplishment of the goals and objectives should also be part of this system. The goals and objectives should be communicated to all staff with managers held accountable for achieving the intended results.

Currently the Planning Department does not have such a multi-year strategic planning process in place. The Department has established high level goals and objectives and does create an annual Work Program specifying how Department management proposes to allocate staff time in the coming year. However, these processes cannot be considered an integrated strategic planning process because: 1) the goals and objectives are not linked; 2) there are no action plans explicitly aimed at accomplishing the goals and objectives; and, 3) there is no system for measuring actual results to determine if the goals and objectives are accomplished.

The goals imbedded in the vision statement in the Annual Report are:

- Maintain an effective, efficient and responsive planning organization for San Francisco to provide long range planning, facilities planning and strategic planning, research and implementation services;
- Maintain a current General Plan as the basis for incremental decisions responsive to changing aspirations, opportunities, needs and circumstances in pursuit of the Department's Mission and Vision;
- Maintain a current and simplified zoning ordinance and other implementation mechanisms in support of the General Plan and integrate long range planning with implementation;
- Provide up to date information services to the Mayor, Board of Supervisors, City agencies, organizations and the public on the City's demographics, economics, infrastructure, services, development projects and trends;

- Continue to deliver efficient and effective permit application services;
- Respond to opportunities and anticipated change, provide analysis, forecasting and policy making services to all agencies, organizations and the public on land use, economics, infrastructure, urban livability, demographics and cultural trends, and other aspects of City life;
- Insure broad public participation in planning decisions;
- Coordinate and unify strategies for implementation/advancement of the City's Vision and Mission;
- Emphasize public service, efficiency, convenience and fairness for all public services and activities; and
- Provide leadership role in collaborative regional planning and implementation activities.

The three objectives in the Annual Report are:

1. Increasing housing in San Francisco
2. Addressing quality of life issues
3. Increasing efficiency and accessibility of services

Besides these goals and objectives, the Mayor's budget for the Department includes the following performance measures for FY 2001-02:

1. Review 80 percent of building permits within five days
2. Decide on 80 percent of variance applications within 90 days
3. Bring 80 percent of conditional use and other applications to a Planning Commission hearing within 60-90 days
4. Bring 80 percent of landmark-related applications to the Landmarks Board within 30 days of application

While these goals, objectives and performance measures could be the start of a strategic planning process, mechanisms for implementing the goals and objectives and measuring actual results are not in place.

The primary forum for the Planning Commission to ensure that its goals and objectives, plans, programs and policies are carried out by the Planning Department is adoption of the Planning Department's annual Work Program and budget. Each year Planning Department staff prepares a proposed Work Program for the subsequent fiscal year. It contains specific projects and activities for the next fiscal year for each of the major divisions of the department: Citywide Planning; Neighborhood Planning; Information Services; and Major Environmental Analysis. For each activity, a level of funding is proposed, which covers staff time and other Department resources dedicated to the activity. For some activities, objectives are also presented such as target processing time for development applications. Work Program activities are not explicitly linked to the goals contained in the Annual Report

The proposed Work Program is submitted to the Commission for approval in February each year at approximately the same time as the Department submits its proposed budget to the Mayor's

Office. The budget is subsequently reviewed and adjusted by the Mayor's Office and then submitted to the Board of Supervisors where further review and adjustment takes place.

The key problems with using the annual Work Program as the main vehicle for the Commission to implement its goals, objectives, policies and plans are: 1) the document is not strategic; 2) the Work Program has a one year time horizon; and 3) a system is not in place to measure actual Work Program results.

The Department's annual Work Program is not explicitly linked to the Department's high level goals and objectives. The Work Program does not reference the goals and objectives, show which activities will accomplish which goals or show how results will be measured. The time frame of the Work Program is one year even though many of the issues to be addressed in the Department goals are multi-year in nature. Ideally, the Department should group its goals, objectives and action plans into short- and long-term issues.

An institutionalized forum does not exist for the Planning Commission for comprehensively reviewing current and anticipated trends that are and will be affecting the City and the Planning Department over the next few years and for developing goals, objectives and action plans to address those issues. To the extent they occur, review of policy issues by the Commission tend to be on a piecemeal basis at Commission meetings, often in the context of reviewing individual projects. Such policy discussions are not systematically collected and documented into a single multi-year set of goals, objectives and action plans. In interviews, a number of Department staff planners indicated that they are not always sure of Commission policies on various matters because of the unclear manner by which policies are established.

To the extent that the Planning Department's annual Work Program does reflect Department goals and objectives, the actual level of effort expended on Work Program activities is often changed during the year by the Department's Director. Changes in the Work Program can occur because the actual level of funding authorized for the Department is not the same as the level of funding assumed for the Work Program. It can also change because new unforeseen issues arise during the year requiring reallocations of staff and other resources. In either case, reallocation decisions are made by the Director without an overriding set of goals, objectives and priorities for the year formally established by the Planning Commission with input from the Board of Supervisors.

While Department management should have flexibility in managing the Department and the Planning Commission should not be involved in day to day operations of the Department, formal strategic goals, objectives and priorities should be in place to guide management resource allocation decisions throughout the year. For example, the Department Director announced to the Commission in November 2001 that due to mandated budget cutbacks for all City departments, long range planning efforts would have to be scaled back in FY 2001-02. This decision does not appear to be linked to goals, objectives or priorities established by the Planning Commission or reflecting policy direction from the Board of Supervisors.

Exhibit 1.1 shows the level of funding needed to accomplish the Work Programs adopted by the Planning Commission over the last five years compared to the final Department budget approved

by the Board of Supervisors. As shown, changes in the Work Program were needed each year because the level of funding approved in the final Department budget was not the same as that in the Work Program. In some years, actual funding was higher than the level assumed in the Work Program. In other years, such as the current FY 2001-02, the actual level of authorized funding was less than included in the Work Program. In any case, the data in Exhibit 1.1 indicate that changes in the Work Program were necessary every fiscal year of the five presented.

Exhibit 1.1
Comparison of Budget in Annual Work Program
to Actual Approved Budget
FY 1997-98 – 2001-02

Fiscal Year	Work Program Budget	Approved Budget	Difference
2001-02	\$18,370,000	\$14,929,752	\$(3,440,248)
2000-01	12,678,000	13,599,679	921,679
1999-00	12,242,000	12,392,593	150,593
1998-99	8,640,000	9,253,617	613,617
1997-98	7,328,000	7,219,121	(108,879)

Some years the Department does prepare a reconciliation report for the Planning Commission indicating which activities from the Work Program are being amended as a result of the finally approved budget. However for the last three years, these reports did not provide details on the revised funding levels by activity to allow for comparison to the original Work Programs. Explanations of how activities were selected for reduction are not provided in these reports.

The third problem with the Department's strategic planning process is the absence of a mechanism for measuring accomplishment of its goals and objectives. There is no formal process for evaluating and documenting the extent to which activities in the annual Work Program are actually accomplished or how they are linked to overriding goals and objectives. Each year, a new Work Program for the next year is prepared by the Department for Commission approval but there is no comparable documentation of the previous year's accomplishments. The Annual Report presents workload numbers for a number of Department activities but this is not the same as a system of measuring and documenting outcomes relative to goals and objectives.

Many of the long range planning projects included in the Work Programs from the current and previous four fiscal years have not been started or have not been completed by their original deadlines but are carried over into the next year plan(s) with a new, later deadline. It is not clear from the subsequent Work Programs if deadlines were extended because the original estimate was inaccurate or because the originally planned level of effort was not made to allow staff to work on other projects. There is no end of the year report allowing for a comparison of actual staff time to proposed staff time in the Work Program and explaining variances.

Board of Supervisors involvement in setting planning goals, objectives and policies

The Charter calls for the Commission to formulate and approve goals and objectives, plans and programs consistent with those “established by the Mayor and Board of Supervisors”. But there is no formalized process for the Board to set objectives, transmit them to the Planning Commission and for the Commission to then incorporate them into a formal set of goals, objectives and plans and programs for the Department in a multi-year strategic plan. As a result, the Board of Supervisors relies more on the budget process and legislation to affect planning activities.

The Board of Supervisors’ use of the budget process to guide the Planning Department and its activities is not optimal for two primary reasons. First, funding is authorized at the Department level, not the activity level so the Director of Planning has the authority to re-program funding to other purposes balancing total funding authorized with all department-wide needs. Second, the lack of consistency between the Department’s budget structure, the Department’s organization structure and annual Work Program makes it difficult to identify baseline funding for each program area and the net impact of the Board of Supervisors appropriating funding for a specific project.

The Department is comprised of five divisions: 1) Neighborhood Planning; 2) Citywide (Long Range) Planning; 3) Environmental Review; 4) Information Services; and 5) Administration. The Annual Work Program covers all divisions except for Administration. The Department reports that Administration costs and activities are built into the costs for the other four divisions as overhead.

The Department’s budget, on the other hand, is divided into three program areas: 1) Neighborhood Planning, 2) Citywide (Long Range) Planning, and 3) Administration. The budgets for the Environmental Review and Information Services divisions are subsumed in the three other program areas. As a result, it is not possible to tell from the budget what level of baseline funding is authorized for each division and if or how authorized funding levels will support the activities included in the Work Program. If the Board of Supervisors authorizes funding for a specific activity but the total amount appropriated to the Department is less than what the Department has requested to accomplish all Work Program activities, Department management can redirect funding between activities, possibly resulting in a lower level of funding for the activities the Board believes it has funded in full. Exhibit 1.2 presents differences between the Department’s actual organization structure and Work Program and budget structures.

Exhibit 1.2
Differences between the Planning Department's
Organization Structure and Work Program and Budget Structures

Division/function	Actual Organization Structure	Work Program Structure	Budget Cost Center
Neighborhood Planning	✓	✓	✓
Citywide Planning	✓	✓	✓
Major Environmental Analysis	✓	✓	No
Information Services	✓	✓	No
Administration	✓	not included	✓

An illustration of the problems caused by the Board's use of the budget process to affect Planning Department activities occurred in Fiscal Year 2001-02. The Work Program approved by the Planning Commission for that year included \$584,000 for General Fund Supported Environmental Impact Reports (EIRs). This funding was supposed to cover environmental review of Planning Department and Board of Supervisors-initiated projects that rely on General Fund support. The projects included a number of great interest to the Board such as: the Better Neighborhoods program; legislation to exempt floor area ratio requirements in the C-3 zoning district; the Residence Element to the General Plan; permanent zoning controls and revisions to the Land Use Element to protect historically industrial land and encourage housing development in mixed use areas; and, other Board-initiated legislation.

The Department reports that funding for these activities was included in a \$1.9 supplemental budget appropriation request approved by the Board of Supervisors in June 2001 and carried over to FY 2001-02. At the time, the Department reported that the supplemental appropriation request was to primarily cover consultant work for the Better Neighborhoods project for Balboa Park and neighborhood and environmental planning in the South of Market and Mission districts. Of the total supplemental appropriation amount of \$1.9 million, the Board reserved \$585,000, most of which was proposed for environmental consultants for the South of Market and Mission districts, pending selection of the consultants.

Subsequent to Board approval of the supplemental appropriation, Department management decided to forego the proposed consulting contracts and to instead use most of the \$1.9 million supplemental appropriation to meet the Department's budget reduction goals necessitated by the economic and revenue slowdown of the first half of FY 2001-02. Environmental review for the projects listed above, including legislation pertaining to exemption from the Floor Area Ratio requirements in the C-3 District, was therefore postponed without any input by the Board of Supervisors.

Since the Board's budget authority is not at the project level, and because the Board is not involved in setting goals and objectives for the Department that would govern decisions about where to make budget reductions, funding allocations and project activity within the Department are decided solely at the discretion of Department management. Further, since the Environmental Review division is not a separate cost center in the Department's budget, it is not possible for the Board of Supervisors to determine how much funding it is appropriating

specifically to that division. Or, if the Board of Supervisors adds funding for a specific purpose, it is not possible to tell if the division receiving the funding will actually end up with a net increase in funding. The funding levels for the three costs centers in the Department's budget are all overstated since each includes some of the costs of the two divisions that are not separate costs centers, Major Environmental Analysis and Information Services.

Besides uncertainty over the level of funding actually allocated for projects, the Board receives little information during or at the end of the year regarding actual accomplishment of projects. The Department's Annual Report provides descriptive information about the activities of the Department during the previous year. But it does not provide linkage to the annual Work Program or the budget so one could determine how actual activities and projects compared to planned and budgeted for activities and projects. Unless it makes specific inquiries or holds hearings on certain activities, there is no mechanism for the Department to report back to the Board on actual activities accomplished with the funding provided.

Impact of Board's planning legislation

Numerous Department representatives commented on the recent increase in planning-related legislation adopted by the Board of Supervisors and its impact on the Department. A review of planning-related legislation adopted by the Board of Supervisors from FY 1998-99 through the first half of FY 2001-02 shows an increase in legislation with a particular focus during in FY 2000-01 and 2001-02 on creation of affordable housing and live/work and industrial zone protection issues. However, the Board's interests in these areas do not seem to have been translated into Planning Department work products or actions, as they might have had the Planning Commission fulfilled the Charter mandate to formulate goals, objectives and plans and programs consistent with overall City and County objectives, as reflected in Board legislation.

Regarding affordable housing, the Planning Department identified increasing housing as one its three objectives listed in its Annual Report for FY 1999-00 though it did not single out creation of affordable housing. The Planning Commission adopted a policy in 1992 that allowed the Commission to optionally require developers of new housing developments of ten units or more subject to conditional use or planned unit development approval to provide a minimum of ten percent of their total units constructed as affordable housing. Implementation of this policy has been decided by the Commission on a case-by-case basis. Neither the goal nor the Commission policy appears to have added much new affordable housing. The Department reports that only 128 affordable units have been built under the policy since 1992.

A review of staff time records since FY 1997-98 shows that hours allocated to housing issues were primarily preparation of the Housing Inventory and work on the update to the General Plan's Residence Element. While the Housing Inventory provides useful information for analysis of housing, including the number of affordable housing units approved and constructed in the City, preparation of this report does not result in the production of affordable housing. To create more affordable housing, the Planning Department could propose amendments to the Planning Code such as:

- zoning changes to increase increasing allowable density in certain areas

- density bonus programs
- performance or impact zoning (in which zoning regulations are more flexible and proposed land uses must be able to show it can meet performance standards without negatively affecting the community so greater density might be allowed if a project could be shown to have no impact on traffic, parking, noise, etc.)
- zoning to allow or encourage development of accessory dwelling units such as in-law apartments
- zoning to allow or encourage in-fill development

The Better Neighborhoods project now underway should result in some proposed zoning changes to allow for greater density in some part of the neighborhoods under review. This would be a first step in the Department taking a role in creating more affordable housing.

Regarding the second key area of Board concern as reflected in many pieces of legislation adopted by the Board of Supervisors over the last two years, the continuing construction of live/work lofts and permanent industrial protection zone controls, the Department has allocated a significant number of staff hours to this issue. However, as detailed in Section 3, permanent controls have still not been established and hundreds of live/work lofts have been built, primarily in the Mission and South of Market districts. Board involvement and collaboration with the Commission and Department on setting goals and objectives on these issues, including ongoing measurement and reporting of activity and outcomes, would most likely have resulted in a more rapid resolution to these issues such as establishment of permanent controls.

Coordination with other public agencies

One of the roles of planning agencies required by State law is promotion of coordination of local plans with the plans and programs of other public agencies. In San Francisco, some of the key agencies involved in the planning process include the Department of Building Inspection, the Department of Public Works, the Public Utilities Commission, the Port, the Redevelopment Agency and the San Francisco Transportation Authority. Each of these agencies develops plans and programs for major construction projects and plays a role in changes in use of land and buildings.

The Planning Department reports that it invites representatives from other planning-related agencies to public hearings and other forums on subjects of potential interest to these other agencies. Representatives of some of these agencies report that Planning Department participation in their agencies' planning activities is inconsistent. A number state that the Planning Department does not always keep their agencies' managers apprised of new Planning Department activities and initiatives. Specifically, agency responses to inquiries about the Department's coordination of its Better Neighborhoods project brought these responses:

- The Public Utilities Commission reports that it had no forewarning of an idea proposed by the Planning Department to build housing on the Balboa Reservoir, over which the PUC has jurisdiction
- The Redevelopment Agency reports that the Planning Department has not created formal mechanisms for coordinating its planning efforts with those of the Agency in

areas such as the overlapping boundaries of the Planning Department's Market-Octavia Better Neighborhoods area and the Redevelopment Agency's Mid-Market and Western Addition redevelopment areas

- The Transportation Authority reports no forewarning of a Planning Department idea to ban vehicles on Van Ness Avenue even though such an action would have significant impact on transportation projects and funding Citywide for which the Authority is responsible

The Redevelopment Agency and the Transportation Authority have entered in to agreements with the Planning Department to better define their roles and relationships and to ensure coordination of certain activities.

The Transportation Authority as the legally designated Congestion Management Agency for San Francisco, is responsible for preparing the Long Range Countywide Transportation Plan. Since transportation is affected by land use decisions and since the Planning Department is involved in transportation issues through maintenance and updating of the Transportation Element of the General Plan, the Authority and the Planning Department entered in to a Memorandum of Agreement in 1996. The Agreement calls for the Planning Department to provide input and consultation on development of the Long-Range Transportation Plan and, more specifically, to provide land use forecasts for the Plan. It also calls for the Department to use the Travel Demand Model developed by the Authority as its primary tool for analyzing transportation impacts of plans and projects to "maximize consistency in all modeling efforts".

In spite of signing the Memorandum of Agreement, the Department has not been using the Travel Demand Model developed by the Transportation Authority. As a result, two different approaches to measuring the transportation impacts of projects are being used. In terms of provision of land use forecasts for the Transportation Plan, the Department apparently has not been providing this information because the Authority has not agreed to pay Planning Department staff time to prepare the forecasts. Unfortunately, the Agreement between the two agencies does not include a work program or specific work products that the Department is expected to produce. Whatever the reason, coordination of land use is not occurring in this area.

The Planning Department's Master Services Agreement with the Redevelopment Agency is more specific than the agreement with the Transportation Authority. The Agreement states that the Planning Department has overall authority for land use issues, calls for community-based planning efforts, and a coordinated, multi-disciplinary approach to long range planning between the Department and the Agency regarding the City's redevelopment areas. It states that the Department should have primary land use authority in all future redevelopment project areas to ensure consistency and a citywide perspective.

To implement these concepts of coordination and mutual assistance, the Agreement between the Redevelopment Agency and the Planning Department calls for the Department to dedicate 10.47 Full Time Equivalents to six redevelopment projects: South of Market/Mid-market; Bayview/Hunter's Point; Transbay; Western Addition A-2; Hunters Point Shipyard; Yerba Buena Center (Bloomingdale's); and, Mission Bay. Specific work products are identified for each project and the total cost is identified as \$1.9 million, of which \$1.4 is to be provided by the General Fund.

A review of Department staff hours shows that the Department is not fulfilling its obligations to the Redevelopment Agency. The Planning Department's Time and Accounting system shows that the Department has allocated approximately 3,756 hours to these projects since FY 1999-00, or approximately 2.26 Full-Time Equivalents, far short of the agreed upon amount.

The Charter and good planning calls for cooperation and coordination between agencies involved in planning and land use issues. One of the Planning Department's goals in its vision statement is, "Provide leadership role in collaborative regional planning and implementation activities". The Department is not implementing this goal in a satisfactory manner. This illustrates the absence of a formalized system of creating specific objectives and action plans to implement the Department's goals and establishing a system to measure results.

Conclusion

The Planning Commission and Planning Department is not fulfilling three of its key roles mandated by the Charter and State law. Two of these roles required by the Charter are included in the requirement that all City commissions, "formulate, evaluate and approve goals, objectives, plans and programs and set policies consistent with the overall objectives of the City and County, as established by the Mayor and the Board of Supervisors..."

The Planning Commission does not engage in a comprehensive strategic planning process to set long- and short-term goals, objectives and action plans for the Planning Department. The Department has adopted broad goals and objectives but the primary mechanism for implementing these goals and objectives, the annual Work Program approved by the Commission, is not prioritized by or clearly linked to these goals and objectives. Further, there is no system in place for the Commission to obtain detailed measurement of the Department's actual accomplishments compared to the original Work Program or to assess the extent to which the Department's goals and objectives have been accomplished.

The Planning Commission and Department has not established a formal mechanism to collaborate with the Board of Supervisors regarding establishment of goals and objectives for the planning function. As a result, the Board of Supervisors' primary mechanisms for input are approval of the Department's budget and adoption of legislation that can control or influence the planning process. The use of the budget for affecting planning activity and policy direction has significant limitations as appropriations are made at the department level, not by project, giving the Planning Director wide latitude in funding levels for individual projects. It is difficult to determine how funding appropriated by the Board for specific purposes is actually used as the Department's budget structure is inconsistent with its actual organization structure and both of

these structures are inconsistent with the structure of the annual work programs that details funding by individual project. There are no progress or end of the year reports showing actual work performed compared to proposed work programs, making staff productivity and accomplishment of Department goals and objectives difficult to measure.

The Department is not fulfilling the State requirement to promote the coordination of local plans with the plans and programs of other agencies. In interviews, three agencies involved in land use and planning efforts in the City report that they were not informed or invited to participate in the Better Neighborhoods program, particularly as it involves topics in their areas of jurisdiction. Two agencies, the San Francisco Transportation Authority and the Redevelopment Agency, have established formal agreements with the Planning Department to ensure coordination and cooperation of their planning efforts. Many of the requirements of these agreements have not been fulfilled by the Planning Department, resulting in poor coordination of key planning activities.

Recommendations

The Planning Commission should:

- 1.1 Prepare a long range strategic plan integrating a broad set of short- and long-term goals, objectives and action plans for the Commission and the Planning Department, including timetables and specific measurements of plan accomplishment;
- 1.2 Establish an annual process for formally receiving input from the Board of Supervisors and the public regarding goals and objectives for the planning function and incorporate them into the establishment of and annual updates to the strategic plan;
- 1.3 Develop a process for annually evaluating accomplishment of the strategic plan including measurements of actual performance and timetables of projects and activities included in the plan;
- 1.4 Require the Planning Director to structure the Department's annual Work Program to present the link between planned activities and strategic plan goals and objectives;
- 1.5 Require the Planning Director to provide a detailed reconciliation between the annual Work Program and the budget each year after the annual budget is adopted and to provide this to the Commission and the Board of Supervisors;
- 1.6 Establish coordination and cooperation with other City agencies as a performance measurement for the Planning Director and measure actual results in this area through an annual survey of other agencies involved in planning and land use, to be presented to the Commission.

The Planning Director should:

- 1.7 Include supporting information with the Planning Department's budget in order to delineate expenditures and revenues for each of the Department's five divisions.

Costs and Benefits

There would be no new direct costs incurred by the Department in implementing these recommendations. The benefits would include establishment of a set of goals, objectives and priorities to guide Department management in allocating staff and other resources. These goals, objectives and priorities would include input from the Board of Supervisors, obtained through a formalized collaboration process. Action plans would be established that are tied to an overriding set of goals and objectives and a process for evaluating actual accomplishment of the goals and objectives would be in place. A consistent structure would be applied to the Department's annual Work Program, the budget approved by the Board of Supervisors and the Department's organization structure, enabling the Planning Commission and the Board of Supervisors to better understand the actual impact of funding of programs and activities. The Department would become more accountable for its activities through regular reports to the Commission and the Board of Supervisors showing actual projects and work performed each year compared to work planned and funded for the year. Coordination and cooperation with other local agencies involved in planning would be monitored and improved, based on the results of an annual survey of those agencies.

2. Planning Commission Discretion

- Unlike many other California cities, Conditional Use and Discretionary Review applications comprise the majority of items considered by the Planning Commission in San Francisco. These cases give the Planning Commission broad latitude including not approving development projects otherwise allowed by the Planning Code or approving projects without consideration of their precedent setting cumulative impacts. The fact that 60 percent of all cases heard by the Planning Commission in 2001 were Conditional Use and Discretionary Review cases is an indication of Planning Code shortcomings, adds significant cost and time requirements to the approval process and lends to the perception of an arbitrary and political approval process.
- Because of the frequent use of Conditional Use approval or Discretionary Review, approval of many planning projects is uncertain. Significantly, one goal of the Better Neighborhoods Program, which will add new neighborhood plans to the Planning Code, is to reduce uncertainty for planning projects in the neighborhoods. The Better Neighborhoods area plans will use a program Environmental Impact Report (EIR) and a development and zoning plan for the neighborhood. If a proposed project complies with the program EIR and neighborhood development and zoning plan, then the project would be approved administratively. These new plans should also result in a reduction in Discretionary Review applications as acceptable development standards will have been defined by the community.
- The Planning Code needs review to identify instances when allowing projects through Conditional Use approval could result in failure to conform with the General Plan or the intentions of the Planning Code. The Planning Department should identify and propose revisions to the Planning Code that would result in firmer zoning controls that allow Code compliant projects to be approved administratively by the Department. Such a review should include a community planning process, such as community planning committees in which communities can participate in defining acceptable development in their areas.

The purpose of the Planning Code is to implement the policies of the General Plan. The General Plan lays out the general planning policies for the City and the Planning Code defines specific zoning requirements, including which types of projects and uses are allowable in zoning districts. The Planning Code defines “use” as the purpose for which land or structures, or both, are designed, constructed, arranged or intended, or for which they are occupied or maintained, let or leased.¹ The San Francisco Planning Code identifies many different use districts, ranging from residential, neighborhood commercial districts and mixed-use districts to special use districts. Each district defines the permissible use for development within that district. When the Planning Code permits projects outright, the Planning Department staff can approve the project without further review. In some instances, the Planning Code may permit a project but requires the

¹ Planning Code Section 102.28

Planning Commission to review the project for Conditional Use approval.² In 2001, the Planning Commission approved 77 percent of the projects that were presented for Conditional Use approval.

Some development projects permitted under the Planning Code are subject to Discretionary Review. The Discretionary Review process was established in the 1970s, allowing the Planning Commission to impose controls or stop development projects entirely. Discretionary Review can be initiated by the project sponsor if the sponsor disagrees with a Planning Department recommendation, by neighbors, or by Planning Department staff. Planning Department staff initiate Discretionary Reviews in certain circumstances based on Department policy, such as projects in industrial protection zones or dwelling unit mergers.

Together, projects requiring Conditional Use approval or Discretionary Review made up 60 percent of Planning Commission agenda items in Calendar Year 2001. Through Conditional Use approval and Discretionary Review, the Planning Code allows the Commission to review proposed projects on a case by case basis, ensuring that these projects will not have an undesirable impact on the community.

By subjecting projects to Conditional Use approval or Discretionary Review, however, the Planning Code also gives the Planning Commission latitude to not approve specific projects that are not prohibited by the Planning Code in the zoning district. The Planning Commission also has discretion to approve projects without considering the precedent-setting cumulative effect of these projects.

Lack of Planning Code and General Plan Compliance in Conditional Use Determinations

The General Plan establishes eight priority policies to which development projects must conform. These eight priority policies require that:

1. existing neighborhood serving retail uses be preserved and enhanced,
2. existing housing and neighborhood character be protected to preserve the cultural and economic diversity of neighborhoods,
3. affordable housing be preserved and enhanced,
4. commuter traffic not impede Muni transit services or overburden neighborhood,
5. industrial and service sectors be protected to preserve a diverse economic base,
6. the greatest possible preparedness be achieved to protect against loss from earthquakes,
7. landmarks and historic buildings be preserved, and
8. parks and open space be protected from development.

When development project applications are submitted to the Planning Department for review, the sponsor must address the ways in which the project conforms to the eight priority policies.

² Planning Code Section 303

Planning Department staff review those applications to determine compliance with the Planning Code and conformity with the General Plan. When a planner submits a case to the Planning Commission for Conditional Use approval, the planner cites the ways in which the proposed project conforms with the General Plan. A review of a sample of development projects that required Conditional Use approval conducted as part of this management audit found potential or actual problems, resulting in lack of compliance with the Planning Code, failure to conform with the General Plan, or both. Although the Planning Code may permit an individual project subject to Conditional Use approval, the precedent-setting cumulative effect of following the precedents established and approving multiple similar projects can result in failure to conform with the General Plan.

Live/Work Projects

As discussed further in Section 3 of this report, the cumulative impact of live/work projects fails to conform with the General Plan. The Planning Code currently permits live/work projects in industrial zones, industrial buffer zones, and mixed use zones. Numerous changes in regulations have been imposed over the last few years in an attempt to better control the development of live/work units. In 1998 the Planning Commission implemented mandatory Discretionary Review for new live/work projects in IPZs. In 1999, the Planning Commission implemented interim industrial protection zone controls for two years, prohibiting new live/work projects in the IPZs, requiring Conditional Use or Discretionary Review for live/work projects in industrial buffer zones, and permitting live/work projects in mixed use zones. Independent of the Planning Department and the Planning Commission, the Board of Supervisors adopted a six-month moratorium on construction of new live/work units in the City in February 2001.

Between 1997 and 2000, more than 1,400 live/work projects were completed and 3,148 were in the pipeline. Although in some instances, the Planning Department approved live/work projects administratively (such as live/work projects in mixed use zones) and in other instances, live/work projects were prohibited (such as live/work projects in the IPZs after the imposition of interim zoning controls in 1999), many live/work projects were subject to Planning Commission Conditional Use approval or Discretionary Review. Although the Commission found that individual live/work projects that they approved conformed with the Planning Code and the General Plan, the cumulative impact of constructing approximately 1,400 live/work projects between 1997 and 2000 failed to conform with the General Plan. Specifically, as discussed in Section 3 of this audit, live/work developments cumulatively did not conform with three of the eight General Plan priority policies, including:

- Policy 2, requiring that existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of neighborhoods;
- Policy 3, requiring that the City's supply of affordable housing be preserved and enhanced; and
- Policy 5, requiring that the diverse economic base be maintained by protecting industrial and service sectors from displacement due to commercial office development.

Review of Selected Conditional Use Development Applications

A number of randomly selected Conditional Use Planning Commission cases were reviewed as part of this management audit. In reviewing case documents and interviewing the staff planners who processed these cases, we found that specific projects may have conformed to the General Plan or the Planning Code, but the cumulative impact of approving such projects often failed to conform with the General Plan or Planning Code.

Approval of a retail establishment in the Upper Market Commercial District exceeding the maximum square footage allowed by right under the Planning Code

In Case 01-0471, the Planning Commission approved a Conditional Use application to expand a retail store in the Upper Market Commercial District exceeding the maximum square footage allowed by right under the Planning Code. This was the fourth large commercial establishment in the Upper Market Commercial District exceeding the maximum permitted square footage. These four establishments resulted in an increasing number of large establishments in a district zoned for moderate-scale development. In this case, the project sponsor requested Conditional Use approval to remove a demising wall³ and increase the size of the existing retail store. In the report, the planner wrote that the Upper Market Street controls were intended to promote moderate-scale development and to preserve the existing mix of commercial uses. The planner noted that three other businesses in the zone exceeded the maximum square footage limit. Additionally, the planner cited Planning Code Section 303 (c) to determine if the larger use would foreclose the location of other needed neighborhood-serving uses in the area; if the proposed use would serve the neighborhood and the nature of the use requires a larger size; and if the building preserved the neighborhood character. In citing “Neighborhood Commerce, Objective 6, Policy 1”, the planner writes, “Although the proposed expansion will reduce the overall number of commercial spaces in the district, the proposed use does serve the neighborhoods serviced by the Upper Market Neighborhood Commercial District. Furthermore, recent projects in the neighborhood either recently completed or under construction promise to add additional commercial space”. Three neighborhood organizations submitted letters of support for the project, stating that they did not oppose the development, but that they were concerned about the loss of extra commercial space. The neighborhood organizations wanted the demising wall to be restored on vacation, and the Planning Commission, when adopting the Conditional Use motion, required the demising wall to be restored on vacation.

In deciding on the Conditional Use application, the Commission allowed the retail space to be expanded beyond the maximum square footage allowed by right in the Planning Code. By not prohibiting larger scale commercial development, the Planning Code opens the door for project approvals that are inconsistent with the Code and the General Plan. In this case, the planner wrote that the presence of other large size businesses was one reason to approve the Conditional Use request. If the Planning Commission were to continue to approve large size businesses using this logic, the cumulative effect would be a greater number of large size businesses than intended by the Planning Code. Additionally, if the Planning Commission were to approve other

³ A demising wall is a wall that structurally separates two units within one building.

large size businesses, the cumulative impact of these approvals would be a neighborhood inconsistent with the original intent of the Planning Code restrictions and lack of conformance with the General Plan. Specifically, the cumulative impact would not conform with General Plan Commerce and Industry Element, Objective 6, Policy 1, ensuring and encouraging the retention and provision of neighborhood-serving goods and services in the City's neighborhood commercial districts. Nor would it conform with Commerce and Industry Element, Objective 6, Policy 2, promoting economically vital neighborhood commercial districts which foster small business enterprises and entrepreneurship and which are responsive to economic and technological innovation in the marketplace and society.

Approval of a housing project exceeding the 40 foot height limit permitted in the Planning Code

In Case 01-0329, the project sponsor proposed to construct a 50-foot tall, 8-unit residential building in a Residential-Commercial Combined zoning district on Van Ness Avenue. The proposed project was subject to Conditional Use approval because the Planning Code requires such approval for projects in this district exceeding 40 feet in height, although the maximum height allowed in the zoning district is 80 feet. The Planner determined that the proposed 50 foot residential building was compatible with the use, density, scale and character of the surrounding neighborhood. Although the Van Ness Avenue Area Plan of the General Plan encourages housing development, the proposed residential project could not be approved administratively because of the Conditional Use approval requirement imposed by the Planning Code. Generally, buildings along this portion of Van Ness Avenue vary from two to five stories in height. If the Planning Code were to set a firm height limit more consistent with the character of the neighborhood, rather than allowing an 80 foot height limit, and allowed for the administrative approval of projects that conformed to the height limit, residential projects such as the one proposed in Case 01-0329 could be approved administratively, reducing the uncertainty and length of time for approving the housing project and the associated costs.

Approval of an office building at 350 Bush Street

The Planning Commission approved the Conditional Use application for 350 Bush Street, a 352,725 square foot office building with ground floor retail, located in the area covered by the General Plan's Downtown Area Plan. The project sponsor was required to obtain Conditional Use approval because the project proposes approximately 32,340 square feet of parking space⁴, which exceeded the amount of allowable parking space of 24,115 square feet under Planning Code Sections 157 and 204.5. Because this is a downtown project, the Planning Code limits allowable parking to 15 spaces or to 7 percent of the project's square footage, whichever is greater. In addition to the parking, the project also includes two large two-way parking entrances, which create conflict with pedestrian traffic and detract from pedestrian visual

⁴ The proposed 32,340 square feet allocated for parking would accommodate approximately 101 parking spaces or 136 valet parking spaces.

entrances along the Bush and Pine Street frontages. General Plan policies are to limit the number of auto trips to and from downtown, reduce the need for new or expanded parking facilities, preserve pedestrian-oriented building frontages, minimize obstructions to pedestrian movement on sidewalks, and ensure that commuter traffic will not impede the Municipal Railway (Muni).

Conditional use approval of parking spaces at 350 Bush Street alone may not greatly increase downtown traffic. However, by allowing new parking space construction through Planning Commission approval, the Planning Code provides opportunity for the Planning Commission to approve more parking spaces than would conform with the General Plan. For instance, if the Planning Commission also approves the Conditional Use application of the Hearst Parking Garage on Third Street to expand from 801 parking spaces to 1,044 parking spaces, a significant number of new parking spaces would be added to the downtown area.

Discretionary Review

Discretionary Review is a process in which building permit applications that would normally be approved administratively by the Planning Department are instead subject to review and approval by the Planning Commission. These approvals are triggered by Planning Code requirements⁵ that notice of building permit applications in residential and neighborhood commercial districts (R and NC zoning designations, respectively) be sent to all neighbors within 150 feet of the project site and posted on the site. A thirty day period then follows during which the project sponsor, a neighbor, or any citizen can request Planning Commission review of the proposed project, even if Department staff has already determined the project consistent with the Planning Code, Residential Design Guidelines and the required General Plan priority policies.

The Planning Department policy is to try to discourage Discretionary Review applications. The Department's Discretionary Review application form suggests that applicants first try to resolve their concerns about the proposed project with the project sponsor before filing a Discretionary Review application. Applicants are instructed that, pursuant to a 1954 City Attorney opinion, reaffirmed in 1979, Discretionary Review is only supposed to be used if there are exceptional and extraordinary circumstances. The application form requires the applicant to describe the exceptional and extraordinary circumstances of the case.

The Department reports processing 254 Discretionary Review applications in FY 2000-01, significantly more than in the previous three years. The Department's Time Accounting system reports that 6,452 planner staff hours were allocated to these applications in that year, or 3.6 full time equivalent positions (FTEs). Exhibit 2.1 shows the number of Discretionary Review applications processed over the last four fiscal years and the number of Planner staff hours allocated each year.

⁵ Planning Code Sections 311 and 312

Exhibit 2.1
Discretionary Review Cases
Processed by Planning Department
Fiscal Years 1997-98 - 2000-01

	1997-98	1998-99	1999-00	2000-01
# Applications	133	108	133	254
# Staff-hours	2,296	1,864	2,841	6,452
Source: Planning Department Time Accounting System				

A review of Planning Commission minutes from all 2001 meetings shows that the Commission reviewed 118 Discretionary Review applications. Exhibit 2.2 presents the results for 113 of those cases where final action was taken by the Commission. As can be seen, most projects were approved, but the majority of them were approved with modifications to address applicant concerns. As shown, ten of the projects were not approved.

Exhibit 2.2
Disposition of Discretionary Review Cases
Acted on by Planning Commission
Calendar Year 2001

Outcome	# Cases	% Total
Not approved	10	8.9%
Approved with modifications	60	53.1%
Approved as proposed	43	38.1%
Total	113	100.0%
Source: Planning Commission minutes, 2001		

Of the 118 cases reviewed, threat to neighborhood character was raised as a concern in 42 cases, the most common concern at the hearings. Following this was the loss of light, which was raised as a concern at the hearings for 24 of the 118 cases.

The Planning Code provisions regarding neighborhood character and protection of light are apparently not sufficient in some zones, at least in the view of some residents. Since most Discretionary Review cases are approved, in spite of the objections of neighbors, the Commission could be approving projects that are inconsistent with General Plan policies calling for preservation of neighborhood character. The high number of Discretionary Review cases also illustrates the need for firmer design guidelines in the Planning Code and more controls to protect light in certain areas. The Discretionary Review process is project specific and does not account for the cumulative impact of project approvals in terms of issues such as neighborhood character and preservation of light.

Conclusion

The Planning Code subjects certain projects within specific zoning districts to Conditional Use approval by the Planning Commission, rather than permitting administrative approval of these projects by the Planning Department. Planning Commissions typically use Conditional Use approval as a mechanism to oversee developments that are permitted but may have an adverse impact on the zoning district. In San Francisco, the Planning Commission also conducts Discretionary Review of specific projects, permitting the Planning Commission to impose more restrictive conditions than the Planning Code. Together, Conditional Use applications and discretionary reviews make up 60 percent of the Planning Commission's agenda.

By subjecting projects to Conditional Use approval or Discretionary Review, the Planning Code gives the Planning Commission latitude to not approve specific projects that would otherwise be permitted in the zoning district. The Planning Commission also has discretion to approve projects without considering the cumulative effect of these projects. Because of the frequent use of Conditional Use approval or Discretionary Review, approval of many planning projects is uncertain. Significantly, one goal of the Better Neighborhoods Program, which will add new neighborhood plans to the Planning Code, is to reduce uncertainty for planning projects in the neighborhoods. The Better Neighborhoods area plans will use a program Environmental Impact Report (EIR) and a development and zoning plan for the neighborhood. If a proposed project complies with the program EIR and neighborhood development and zoning plan, then the project would be approved administratively by the Planning Department.

The Planning Code should be reviewed for instances where application of Conditional Use could result in failure to conform with the General Plan or comply with the intentions of the Planning Code. Such instances could include the Planning Code's requirement of Conditional Use approval for constructing buildings exceeding certain height limits, constructing parking spaces in the downtown area, and expanding commercial space beyond the allowable maximum in a neighborhood commercial district. As an outcome of the Planning Code review, the Planning Department should identify and propose revisions to the Planning Code that would result in firmer zoning guidelines that allow projects meeting the guidelines to be approved administratively.

Review of the Planning Code to identify and revise problematic application of Conditional Use should be part of a community planning process. Planning Code revisions would require the effort of both long range and current planning staff. Ideally, if the Neighborhood Planning Unit staff were able to develop more consistent neighborhood interaction, they could lead the process. Alternatively, if the Board of Supervisors adopts our recommendation in Section 4 to establish community planning committees, the Citywide Policy and Analysis and Neighborhood Planning staff could work with the community planning committees to identify and revise problematic applications of Conditional Use in the Planning Code.

Recommendations

Based on the above findings, we recommend that the Director of the Department of Planning:

- 2.1 Review the Planning Code to determine instances where application of Conditional Use could result in failure to conform with the General Plan or comply with the intentions of Planning Code regulations, particularly on a cumulative basis;
- 2.2 Assign Citywide Policy and Analysis and Neighborhood Planning staff to work with community planning committees to identify and propose Planning Code changes that set firmer zoning requirements for projects within specific zoning districts; and,
- 2.3 Present a proposal, including goals, timelines, and measurable results, to the Board of Supervisors during the FY 2002-2003 budget process for the review of the Planning Code application of Conditional Use.

Costs and Benefits

The above recommendations would increase overall conformity with the General Plan and reduce inconsistencies between the General Plan and the Planning Code by setting clearly-defined limits for projects in each zoning district and reducing the number of projects approved on a case by case basis. Further, the above recommendations would allow more consistent community participation in identifying the types of projects suitable for their zoning district. A reduction in the number of Discretionary Review cases should also result as community members are allowed to define acceptable development for their neighborhoods.

The Department should incorporate the proposed process for revising the Planning Code into existing or proposed Department community planning programs and to adjust the annual Work Program to accommodate the Planning Code revision process.

3. Industrial Protection Zones, Live/Work Projects and Community Plans

- There has been significant neighborhood opposition, numerous Planning Commission hearings and adoption of many resolutions regarding live/work projects in the City's industrial zones and surrounding neighborhoods over the last five years. In spite of that, in the four-year period from 1997 through 2000, more than 1,400 live/work units were completed and 3,148 were in the pipeline. During that period and through today, the Planning Department has not proposed and the Planning Commission has not adopted permanent zoning controls for the industrial zones. Because the Planning Department was not responding to concerns about live/work and office development in the Mission District, that neighborhood developed their own interim zoning controls, which were adopted by the Board of Supervisors, without Planning Department participation. The Planning Department only began a community planning process to develop permanent zoning controls in the City's eastern neighborhoods, including the Industrial Protection Zones (IPZs), in the fall of 2001.
- Not just the construction of live/work projects, but the failure of live/work projects to be used either as artist work spaces or, in some instances, as residences at all, was discussed before the Commission by neighborhood organizations, community members, and staff on many occasions. Due to the lack of Planning Code clarity on the extent to which the live/work unit occupant must engage in arts activities or on the definition of "work" as a component of "live/work", the Planning Department has determined that enforcing the art or work component of live/work is not feasible. Because the cost of live/work units is high, they are no longer affordable as artist work space, and some live/work units in the Mission and South of Market have been reportedly converted to office use. Although in the May 1999 Planning Department report to the Planning Commission, the Department listed failure to enforce Planning Code live/work regulations as one of the contributors to the growing problem of live/work development, the Planning Department did not have a team dedicated to enforcing planning regulations prior to FY 2001-2002.
- Conditional use approval and discretionary review of live/work projects has resulted in a large number of live/work projects being developed. Though the Planning Commission has found otherwise, the cumulative effect of these live/work projects do not conform with General Plan policies, especially policies to conserve and promote housing development and neighborhood character, produce affordable housing, and protect industrial and service sectors from displacement.

Industrial Protection Zones and Live/Work Projects

The Planning Code includes provisions to protect the character and stability of the City's industrial areas and maintain economic diversity by preventing displacement of industrial uses.¹ The Planning Code defines two types of industrial districts, light and heavy, and permits some types of housing in these districts with conditional use approval. In the 1990s until the present time, as more live/work projects were approved in industrial areas, many community organizations became concerned that the spread of new live/work projects would change the character of their neighborhoods, reduce the supply of affordable artist live/work space and displace industrial uses.

The Board of Supervisors adopted legislation in 1988, which amended the Planning Code, allowing the development of live/work units that combined residential space with work space. Live/work projects were defined as commercial space rather than housing, and originally were intended to serve as housing and work space primarily for artists. Initially, live/work units were converted from existing buildings, but by calendar year 2000, approximately 90 percent of live/work developments were new construction.² Construction of live/work units began to increase in 1996 and 1997 and reached its maximum in 1999, when more than 600 live/work units were completed. The average initial sales price in 2000 of \$353,100 for the new live/work projects was 32 percent higher than non-live/work housing.³

Not just the construction of live/work projects, but the failure of live/work projects to be used either as artist work spaces or, in some instances, as residences, was discussed before the Commission by neighborhood organizations and community members. Because the cost of live/work units was high, they were no longer affordable as artist work space. Some live/work units in the Mission and South of Market were reportedly converted to office use.⁴ Prior to FY 2001-2002, the Planning Department did not have a team dedicated to enforcing planning regulations. In the May 1999 Planning Department report to the Planning Commission on live/work, the Department listed failure to enforce Planning Code live/work regulations as one of the contributors to the growing problem of live/work development.

As shown in Exhibit 3.1, from 1997 through 2001, the Planning Commission conducted public hearings and adopted resolutions regarding the encroachment of live/work and office developments in the industrial zones of the City and established interim Industrial Protection Zone (IPZ) zoning controls, but did not adopt permanent zoning controls. Independent of the Planning Department and the Planning Commission, the Board of Supervisors adopted a six-month moratorium on construction of new live/work units in the City in February 2001.

During the four-year period from 1997 through 2000, more than 1,400 live/work units were completed. 71 percent of completed live/work developments were in the South of Market (SOMA) and 16 percent were in the Mission.

¹ Planning Code Sections 101 and 101.1.

² San Francisco 2000 Housing Inventory, San Francisco Planning Department, July 2001.

³ San Francisco 2000 Housing Inventory, San Francisco Planning Department, July 2001.

⁴ San Francisco 2000 Housing Inventory, San Francisco Planning Department, July 2001.

Exhibit 3.1
Planning Commission Actions on Live/Work Development and IPZ Zoning Controls
From 1997 through 2000

Date	Planning Commisssion Hearings	Planning Department Reports	Completed Live/Work Units
March 1997	The Planning Commission conducted a public hearing on live/work developments		
May 1997		The Planning Department presented a report on live/work projects in the IPZs. The report identified several issues, including: (a) inadequate enforcement of arts and work activities in live/work projects; (b) the increase in industrial land values, resulting from constructing live/work projects in industrial zones; (c) the increase in housing production and related construction jobs resulting from constructing live/work projects; (d) the failure of live/work projects to conform with the character of the surrounding neighborhood, to provide adequate parking, and to provide adequate ground level open space; (e) the potential conflict between buyers of live/work units and the industrial use of surrounding buildings; and (f) the lack of affordability of new live/work projects for artists and arts activities.	

Date	Planning Commission Hearings	Planning Department Reports	Completed Live/Work Units
June 1997		The Planning Department presented short term and long term recommendations to the Commission regarding live/work construction and occupancy. The short term recommendations included: (a) retain the existing discretionary review policy for live/work projects of 10 units or more in the Northeast Mission Industrial Zone (NEMIZ)¹; and (b) adopt a mandatory live/work discretionary review policy for live/work projects in the IPZs, and for other live/work projects that do not provide 1:1 parking or finished facades, that demolish existing housing, or that fail to notify surrounding property owners of the proposed project. The long term recommendations included: (a) initiate proposed NEMIZ zoning to require discretionary review for live/work developments of one unit or more by September 1, 1997; (b) conduct a study to determine the amount and location of land required for purely industrial uses; and (c) re-examine live/work definitions and rules; and conduct a study to identify sites for housing to consider the affordability components of live/work developments.	
Calendar Year 1997			Approximately 240

¹ In 1994 the Planning Commission adopted Resolution 13794, establishing a policy to protect the NEMIZ from residential and certain types of artist/live developments and requiring discretionary review for live/work developments of 10 units or more.

Date	Planning Commission Hearings	Planning Department Reports	Completed Live/Work Units
February 1998	The Planning Commission conducted a public hearing to consider the Planning Department's recommendations presented in June 1997.		
March 1998	The Planning Commission adopted Resolution 14456, initiating a discretionary review process for live/work projects with application filing dates after February 26, 1998.		
Calendar Year 1998			Approximately 180
April 1999		The Planning Department submitted a report to the Planning Commission, outlining four options for industrial land interim zoning controls.	
May 1999	The Planning Commission conducted a public hearing on the Planning Department's proposed options for industrial land interim zoning controls.		
August 1999	The Planning Commission adopted Resolution 14861, imposing interim IPZ zoning controls. These controls: (a) prohibited the construction of housing, including live/work projects, in the IPZs; (b) required conditional use approval for live/work projects in industrial buffer zones; and (c) permitted live/work projects in mixed use housing zones.		
Calendar Year 1999			Approximately 615

Date	Planning Commission Hearings	Planning Department Reports	Completed Live/Work Units
May 2000		The Planning Department completed a draft proposal to establish permanent IPZ zoning controls. This proposal for permanent controls was never scheduled for a Planning Commission hearing.	
November 2000 through January 2001	The Planning Commission conducted public hearings on: (a) redefining live/ work developments as loft housing, classifying these developments as residential, and subjecting loft housing to the same controls as live/work without restrictions on the nature of work permitted in SSO (Service/Secondary Office) zoning districts or whether the occupants worked in the unit; and (b) discouraging the conversion of live/work projects to office uses within the IPZ interim control boundaries. The Commission continued indefinitely the proposal to redefine the definition and restrictions for live/work housing, to allow the Planning Department to consider proposed Board of Supervisors legislation establishing a six month moratorium on the consideration of new live/work developments. The Board of Supervisors adopted the legislation in February 2001. The Commission adopted the policy to discourage conversion of live/work projects to office uses within the IPZ interim control boundaries.		
Calendar Year 2000			464

Date	Planning Commission Hearings	Planning Department Reports	Completed Live/Work Units
May 2001		The Planning Department gave an informational presentation to the Planning Commission on the Department's efforts to devise policies and regulations to replace interim IPZ zoning controls. The Planning Department did not propose actual permanent zoning controls in this presentation.	
May 2001 through August 2001	The Planning Commission conducted hearings on: (a) establishing permanent zoning controls in the Islais Creek area IPZ; and (b) developing community plan study areas in South of Market (SOMA), the Mission, Showplace Square/Lower Potrero Hill, and Bayview/Hunters Point.		
August 2001	The interim IPZ zoning controls expired after two years. When the interim controls expired, the Planning Commission adopted a resolution, establishing policies and procedures, which carry less weight than permanent zoning controls, for development proposals in the IPZs. The Planning Commission's policies and procedures included: (a) requiring discretionary review for development proposals in the IPZs; (b) discouraging new or converted uses to office, housing, or live/work in the IPZs; and (c) encouraging mixed-use housing developments, especially housing developments that promote density and affordability, in the housing zones adjacent to the IPZs.		

As noted in Exhibit 3.1, the Planning Department prepared draft permanent IPZ zoning controls in May 2000. According to the Department's Time Accounting System, the Department expended approximately 2,000 staff hours (approximately 1.0 FTE) in FY 1999-2000 and approximately 4,000 staff hours (approximately 2.0 FTE) in FY 2000-2001 to draft permanent IPZ zoning controls. Although the Department had developed recommendations for permanent controls, these recommendations were never presented to the Planning Commission. When the interim controls expired after two years, the Commission substituted policies and procedures and recommended a community planning process for the industrial areas of the City. The issue of development in the industrially zoned areas of the City had been on the agenda for more than four years but the community planning process was not formally introduced until May 2001.

Community Plans

Under pressure from community organizations and from the Board of Supervisors, the Department developed a proposal for a community planning process on the eastern side of San Francisco. In late 2000, the Department began to approach community organizations to develop a new working relationship. Prior to that time, community organizations' access to the planning process was chiefly through public comment at Planning Commission meetings or addressing specific projects presented to the Planning Commission. Only infrequently did Planning Department representatives attend community-based meetings.

In 2000, community organizations in the Mission formed the Mission Anti-Displacement Coalition (MADC), which began to independently formulate interim zoning controls for the Mission district. Initially, the Planning Department had little involvement with the MADDC in developing interim zoning controls, although MADDC informed the Department of their process. The proposed interim controls were introduced to the Board of Supervisors without Planning Department participation.

During this period, representatives from the Potrero Hill community stated that they were conducting "guerilla warfare". According to community representatives, they attended Planning Commission meetings to speak to specific projects but had no other forum for working with the Planning Department about the broader issues of permanent controls in the Industrial Protection Zones. According to community organization members, they were told only that the Department was working on recommendations for permanent controls.

In May 2001, the Board of Supervisors approved a \$1,900,000 supplemental appropriation, of which \$1,500,000 would fund planning studies for permanent zoning controls in South of Market (SOMA) and the Mission. The \$1,500,000 appropriation was to be used for outside consultants to perform public outreach, urban design, transportation planning, economic and real estate analysis, and environmental planning for establishing Mission and SOMA zoning controls, including the industrial zones within the Mission and SOMA.

The Planning Commission adopted a resolution on August 9, 2001, establishing community plan areas for the areas in and around the IPZs. The community plan areas included SOMA, Showplace Square/Potrero Hill, Bayview/Hunters Point, and the Mission. Eventually, Visitacion Valley was included in the community planning process. However, in August 2001,

due to a projected Planning Department revenue shortfall of approximately \$2.2 million, the Department proposed applying \$1,422,960 of the \$1,500,000 supplemental appropriation for planning studies for permanent zoning controls in SOMA and the Mission to budget savings.

The Department did not begin to seriously work on the community plans until fall 2001. In response to Board of Supervisors' and community demands, the Department proposed re-allocating resources within the Department to fund five planner positions to work with community organizations to develop the community plans. Because of the partial hiring freeze for City employment, requisitions for three of the five community planning positions were not approved by the Department of Human Resources (DHR) until December 2001 and the two remaining requisitions were approved by DHR on January 30, 2002. In early January 2002, three staff planners were hired internally for the community planning process.

The community planning process is intended to develop basic zoning controls in the selected neighborhoods. Unlike the more extensive Better Neighborhoods program (discussed in Section 4 of this report), the community plans will not address design or transportation issues and the Department will not hire consultants to help develop the plans.

The Department intends for the community planning process to take approximately six to eight months. Initially, the Department did not designate specific staff planners to work with neighborhood groups to implement the community planning process and set up public workshops. Department staff produced a report, assessing the eastern neighborhoods of the City (which include the IPZs) on January 25, 2002. The Department Director and Chief of Citywide Policy and Analysis conducted the initial meetings in December with community organizations to plan the community workshops. Although two staff planners were tentatively assigned to work with SOMA and the Mission District, no staff planners were assigned to set up the first community planning workshops, which were scheduled for February 2002. In January 2002, the Department assigned a staff planner to work specifically with Showplace Square/ Lower Potrero Hill organizations in planning and implementing workshops for that district, and developed tentative assignments for the other neighborhoods.

In interviews, representatives from community organizations have expressed some optimism that the community planning process will improve the working partnership between the Department and the community. These same representatives are cautious, however, about how the Department will assess and incorporate community ideas into a final zoning proposal. Although the Department has developed a basic structure and concept for the community planning process, no formal mechanism has been developed for assessing and incorporating community input.

Barriers to Industrial Zone Planning

Insufficient Long Range Planning Resources

The Planning Department has allocated a lesser portion of its budget and its staff for long range policy and analysis. Prior to FY 1999-2000, the Planning Department allocated only about one-fifth of its annual budget to long term planning and special projects, as shown in Exhibit 3.2 below. The Citywide Policy and Analysis Unit analyzes demographic trends, develops land use and housing databases, maintains and updates the San Francisco General Plan, and conducts other policy analyses as required. Special projects include planning management of special projects, such as the Ballpark Special Use District, Mission Bay, Treasure Island, and the Hunters Point Shipyard. Excluding these special projects, the Citywide Policy and Analysis Unit budget was only 11.5 percent of the total Planning Department budget in FY 1997-1998 and 14.1 percent of the total budget in FY 1998-1999. In FY 1999-2000, the Planning Department implemented the Better Neighborhoods program (discussed in Section 4), resulting in increased funding to the Citywide Policy and Analysis Unit. The Citywide Policy and Analysis allocation was 27 percent of the Department's budget in FY 2001-2002.

Exhibit 3.2

Percent of Work Program Budget Allocated to the City Wide Policy and Analysis Unit and to Special Projects FY 1997-1998 - FY 2001-2002

	FY 97-98	FY 98-99	FY 99-00	FY 00-01	FY 01-02
Citywide Policy and Analysis	11.5%	14.1%	21.6%	23.0%	27.0%
Special Projects	11.2%	6.8%	3.3%	3.5%	0.0%
Total	22.7%	20.9%	24.9%	26.5%	27.0%

Source: Planning Department Work Programs

Insufficient Enforcement Resources

As discussed above, prior to FY 2001-2002, when the Board of Supervisors approved four new positions for an enforcement team, the Planning Department did not have a team dedicated to enforcing planning regulations. In the May 1999 Planning Department report to the Planning Commission on live/work, the Department listed failure to enforce Planning Code live/work regulations as one of the contributors to the growing problem of live/work development. According to this report, the Planning Code restricts live/work units for "arts activities" as the principal form of work. However, the Planning Code does not define work nor require that work constitute a certain portion of the live/work unit. Further, the Planning Code does not define how often or to what extent the live/work unit occupant must engage in arts activities. The Planning Code permits other work activities, in addition to arts activities, in some zoning

districts, such as parts of SOMA, but does not specifically define what constitutes work. The Planning Department concluded that arts activities or other work in live/work developments was not enforceable under the existing Planning Code language. The Planning Commission has not adopted new definitions of live/work since 1997, and as discussed previously, has continued indefinitely the resolution to redefine live/work as loft housing.

The Planning Department's current enforcement effort focuses on multi-unit live/work developments with possible conversion to office uses. Due to the lack of Planning Code clarity regarding the extent to which the live/work unit occupant must engage in arts activities and the definition of work as a component of live/work, the Department has determined that enforcing the art or work component of live/work is not feasible.

Lack of General Plan Conformity

The Planning Commission adopted various policies at different times regarding approval of live/work projects. Such projects were only strictly prohibited from August 1999 through August 2001 in identified Industrial Protection Zones through interim IPZ controls adopted by the Commission. Both during the period of interim IPZ zoning controls and currently, Planning Department staff could administratively approve proposed live/work projects adjacent to residential developments or in areas zoned for housing as part of the building permit review. In other zones and in different periods, live/work projects could be approved through a discretionary review or conditional use process.

According to the San Francisco 2000 Housing Inventory, live/work units made up 30 percent of new housing in San Francisco in 2000.⁵ 20 percent of new housing units (non-live/work as well as live/work) were constructed in the interim IPZs. The average initial sales price of a live/work unit in 2000 was \$353,100, or 32 percent, more than the average initial sales price of \$266,900 for non-live/work units. In 2000, affordable housing unit construction declined by 40 percent. Affordable housing unit construction made up only 9 percent of total housing construction in San Francisco in 2000. Live/work developments are lower density, on average, than non-live/work developments, and, because they are generally designed with open floor plans, are less flexible in accommodating families.⁶

Approving live/work projects and housing construction in the industrial zones on a project by project basis, rather than developing and implementing a comprehensive policy, has resulted in an overall lack of conformity with the General Plan. The cumulative effect of live/work development does not conform with the General Plan even if individual projects conform. The overall impact of live/work development does not conform with at least three of the eight General Plan priority policies. Policy 2 requires that existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of neighborhoods. Extensive production of high-end live/work housing concentrated in certain neighborhoods, which does not accommodate families, does not meet these objectives. Further,

⁵ According to the *Data and Needs Analysis, Part One, 2001 Housing Element Revision*, although the City's Planning Code considers live/work units as commercial space, the Planning Department tracks information on live/work units in the annual housing inventory.

⁶ San Francisco 2000 Housing Inventory, San Francisco Planning Department, July 2001

live/work projects are assessed lower school district permit fees, resulting in fewer proceeds for local school development. Because live/work projects have not been defined as housing, developers who construct live/work projects cannot be required to pay into the affordable housing fund under the Planning Commission's inclusionary housing policy.⁷ Policy 3 requires that the City's supply of affordable housing be preserved and enhanced. As noted above, live/work projects, which made up 30 percent of construction in 2000, displaced affordable housing unit construction, which only made up 9 percent. Policy 5 requires that the diverse economic base be maintained by protecting industrial and service sectors from displacement due to commercial office development. As discussed above, conversion of live/work projects to commercial office space was a problem identified by the Commission.

Absence of Community Involvement in Planning Process

From 1997 until 2001, community organizations had no formal access to planning and policy making regarding zoning in industrial districts and construction of live/work developments. Community access to the planning process was generally through addressing projects on an individual basis or through speaking during public comment at Commission meetings. In some instances, the Commission conducted informational hearings or presented proposed resolutions for public comment. In the Mission district, community organizations introduced their own interim zoning controls without Department involvement. The Department has only reached out formally to the Community since the Board of Supervisors election in November of 2000.

The process for releasing requisitions and hiring staff planners to work on community plans has been slow. The Department has filled three of the five new positions for community plans with in-house staff but two of the positions have not yet been filled. Until February 2002, staff assignments to work with the five neighborhoods were tentative and the Department Director and Chief of Citywide Policy and Analysis did much of the initial work on setting up the community workshops. Although the Department and representatives from community-based organizations have reviewed the public workshops positively, how the Department will assess community input and include it in the proposed community plans has not been fully determined.

Conclusion

The Planning Department has not taken the initiative in developing permanent zoning controls in the industrially zoned areas of the City or on live/work projects, and until recently has not engaged community organizations in the planning process. Further, the Planning Commission, after five years of public hearings and resolutions, has not adopted permanent zoning controls in the Industrial Protection Zones. There are several factors contributing to the Planning Department's failure to develop policies for the IPZs and live/work projects and to actively engage the community.

⁷ The Planning Commission established an inclusionary housing policy in 1992, under which the Commission could optionally require housing developments of 10 units or more, which required conditional use approval under the Planning Code, to either construct affordable housing units or to pay into the affordable housing fund.

First, the Department has not given priority to long range planning in allocating resources. Prior to FY 1999-2000, the Department allocated only one-fifth of its budget to the Citywide Policy and Analysis Unit. Although the Department initially proposed \$6,150,000 in the FY 2001-2002 work program for Citywide Policy and Analysis projects, or 33.5 percent of the Department's budget, in November 2001 this allocation was reduced to \$4,258,000, or 27 percent of the Department's budget, to achieve budget savings. Because of the importance of the Citywide Policy and Analysis Unit to long range planning for San Francisco neighborhoods, the Planning Department should submit amendments to the approved annual work program and budget in writing to the Board of Supervisors, as well as the Planning Commission, with an explanation of the Department's reasons for selecting reductions to each program.

Second, Planning Code definitions for "live/work" are insufficient for enforcement. The Planning Department needs to develop a stricter definition of "live/work" and recommend Planning Code revisions to the Planning Commission. A stricter definition could include requiring a business license for live/work projects, creating a set of criteria for art activities and work activities, subjecting live/work projects to inclusionary housing requirements and school district permit fees comparable to other housing projects, and creating stricter guidelines for conversion of underutilized buildings into live/work projects.

Third, the absence of permanent controls has resulted in a large number of live/work projects being approved through the conditional use and discretionary review processes. The cumulative effect of these live/work projects has not conformed with General Plan policies, especially conserving existing housing and neighborhood character, producing affordable housing, and protecting industrial and service sectors from displacement. In working with community organizations to develop the community plans and permanent zoning controls in the industrial areas of the City, the Department needs to rigorously identify which projects are permitted or not permitted and limit the type of projects subject to conditional use. Community input on types of projects allowed should also help reduce the number of discretionary review applications filed for live/work projects.

Fourth, the Department needs to strengthen its working relationship with community based organizations in developing community plans. Specifically, the Department needs to develop a formal tool for assessing and incorporating community input in the community plans. The Mission Anti-Displacement Coalition has proposed developing an assessment tool for the Mission Community Plan, for which the Department should be involved.

Recommendations

Based on the above findings, the Director of the Planning Department should:

- 3.1 Submit amendments to the approved annual Work Program and budget in writing to the Board of Supervisors, as well as the Planning Commission, with an explanation of the Department's reasons for selecting reductions to each program, in order to ensure that sufficient resources are allocated to the long range planning process and the development of zoning controls in the traditionally industrial zones of the City;

- 3.2 Develop a stricter definition of “live/work”, including defining live/work projects as housing and defining the zones in which live/work projects are permitted, and recommend Planning Code revisions to the Planning Commission;
- 3.3 Rigorously identify which projects are permitted or not permitted and limit the types of projects subject to conditional use in developing the community plans and the permanent zoning controls and recommend Planning Code revisions to the Planning Commission; and,
- 3.4 Develop a formal tool for assessing and incorporating community input in the community plans.

Costs and Benefits

By developing a stricter definition of “live/work” in the Planning Code and limiting the types of projects subject to conditional use or discretionary review in the new proposed zoning controls, the Planning Department and Planning Commission would make clear the types of projects permitted under the Planning Code, and would reduce the cumulative impact of projects which fail to conform with the General Plan. Developing a formal tool to assess and incorporate community input into the community plans would give community organizations a clearer voice in the planning process. Submitting written amendments to the annual work program and budget to the Board of Supervisors would enable the Board of Supervisors to more closely monitor the allocation of resources to long range planning programs.

These recommendations can be incorporated into the existing Planning Department community planning process without additional costs.

4. Community Participation

- The Planning Department has only recently engaged community organizations in policy and long range planning. Although the Department created the Neighborhood Planning Unit and organized current planning functions into neighborhood teams in FY 1997-1998, the neighborhood teams have not worked regularly with neighborhood organizations. Prior to FY 1999-2000, the long range planning process was not structured to promote community involvement in the planning effort. In FY 1999-2000 the Department implemented a comprehensive neighborhood planning program, the Better Neighborhoods program at the initiation of San Francisco Planning and Urban Research (SPUR), which incorporates community input into the planning process. The Department has recently implemented a community planning process in the five eastern neighborhoods of the City to develop new permanent zoning controls in those neighborhoods.
- Planning Commission meetings are not generally structured to discuss policy matters and engage the community in the decision making process. The Planning Commission considers individual planning projects far more often than broader Citywide policy matters. Community members can speak to specific projects or during the public comment period now scheduled for the end of each meeting, but the Commission does not regularly schedule public hearings on policy or planning issues, and therefore, does not provide an ongoing forum for community input on policy and planning.
- An alternative to San Francisco's approach to community planning would be to establish ongoing community planning committees. The cities of San Jose, Portland, Oregon and San Diego County, for example, have formed regional planning groups to advise their legislative bodies, planning directors, and planning commissions on long range planning policies.

Although the Department has referenced neighborhood outreach or community concerns in each of its work programs from FY 1997-1998 through FY 2001-2002, the Department has not consistently reached out to community organizations or incorporated community input into the planning process. Community members have generally been able to comment on specific projects at Planning Commission meetings but have not had a formal forum to participate in the planning process. Planning Code changes in 1996 and 2000 require the Planning Department to notify nearby residents of certain permit applications, such as residential building permits in R-zoned (residential zoned) districts and building or change of use permits in Neighborhood Commercial Districts.¹ Neighborhood organizations can request that the Department also provide notification to them for these types of permits. The notification procedure allows community members to speak to individual projects but does not give them a larger voice in planning their communities.

¹ Planning Code Sections 311 and 312.

In FY 1997-1998 the Department created the Neighborhood Planning Unit and organized current planning functions into neighborhood teams, intending to integrate policy development with implementation at the neighborhood level.² According to Department staff, although neighborhood teams better understand their districts and neighborhood groups develop relationships with the team leader, the neighborhood teams have not worked regularly with neighborhood organizations.

Prior to FY 1999-2000, the long range planning process was not structured to promote community involvement in the planning effort. The Citywide Policy and Analysis Unit is responsible for long range planning, including maintaining and updating the General Plan, program planning, and area planning. In FY 1997-1998 and FY 1998-1999, long range planning activities consisted primarily of updating the General Plan and compiling and analyzing data. The Department also budgeted funds for planning special projects, which included Mission Bay, Hunters Point, Transbay Area, and Treasure Island projects. In FY 1999-2000 the Department implemented a comprehensive neighborhood planning program, the Better Neighborhoods program discussed below, which incorporates community input into the planning process.

Planning Commission meetings are not generally structured to discuss policy and engage the community in the decision making process. The Planning Commission considers individual planning projects far more often than policy matters. A survey of Planning Commission minutes from January 11, 2001 through October 4, 2001, shows that only three percent of the agenda items were resolutions, ordinances, or policy discussions. Community members can speak to specific projects or during the public comment period, but the Commission does not regularly schedule public hearings on policy or planning issues, and therefore, does not provide an ongoing forum for community input on policy and planning. In October of 2000, the Planning Commission adopted new rules, scheduling the public comment period for the end of the Commission meeting rather than earlier in the meeting, which had been the prior practice.

Community Outreach and Long Range Planning

Better Neighborhoods

In FY 1999-2000, the Board of Supervisors provided \$1,260,317 to the Planning Department to fund the Better Neighborhoods Program, including six new staff positions. The Better Neighborhoods Program is a comprehensive planning process for three neighborhoods, which includes economic analysis, housing development, transportation coordination, urban design, and community involvement. The three neighborhoods are Market-Octavia, Balboa Park, and the Central Waterfront. From FY 1999-2000 through FY 2000-2001, the Board of Supervisors provided \$3,620,294 to fund the Better Neighborhoods Program, of which \$2,500,000 was for consultant services.

² FY 1998-1999 Proposed Work Program and Budget, San Francisco Planning Department, February 12, 1998.

The Planning Department received a federal grant in FY 1999-2000 as seed money for a neighborhood plan. At that time, Planning Department staff approached San Francisco Planning and Urban Research (SPUR) about developing comprehensive neighborhood plans. SPUR, in conjunction with other community-based organizations, formed the Housing Action Coalition (HAC), a housing advocacy organization, which lobbied the Mayor and Planning Director for a neighborhood planning program. Initial funding was for two neighborhood plans, Market-Octavia and Central Waterfront, to be completed in 2002. A third neighborhood plan, Balboa Park, was initially funded with the federal seed grant, with an additional \$300,000 included in a May 2001 supplemental appropriation to the Department's budget. Although funds for a fourth neighborhood were included in the FY 2001-2002 budget, the Department eliminated plans for the fourth neighborhood in order to achieve required budget reductions.

One purpose of the Better Neighborhoods program was to change the community's perception that the Planning Department was not responsive to residents. Initially the Planning Department used an outside consultant, rather than Department staff, for community outreach. The Planning Department selected O'Rorke Public Relations in April 2000 for a one-year \$250,000 contract to assist the Department in conducting public outreach for the Better Neighborhoods program.

The Department conducted public workshops, organized by Department staff, in each of the three neighborhoods, beginning in May 2000. The first set of workshops in the three neighborhoods was intended to develop the idea of a neighborhood and of what makes a great neighborhood. The second set of workshops in summer 2000 summarized community input from the first workshop and explained Planning Department ideas and possible recommendations. The third set of workshops in winter 2001 provided more specific Planning Department ideas and recommendations and included input from transportation, environmental, economic, and urban design consultants hired by the Department for the Better Neighborhoods program. The fourth set of workshops in autumn 2001 presented preliminary neighborhood plans and explained how the plans' conclusions were reached. In addition to the workshops, Planning Department staff conducted walking tours, and attended neighborhood group meetings, either at the group's request or at the initiation of the Planning Department.

The Better Neighborhoods program has not developed a clear mechanism for incorporating community input into the final draft plan. The program solicits feedback from break-out groups at the workshops, comments on planning maps, and written responses submitted at the workshops. Written responses are ranked, but the program does not have a systematic approach to ranking responses. Better Neighborhoods program staff are preparing a draft plan, which will be presented in spring 2002 during a final round of community workshops.

Maintaining and Updating the General Plan

The Department has not consistently incorporated community input when writing new or revising existing General Plan elements. The California Government Code requires that the local governments prepare, periodically review, and revise as necessary, their General Plans. Under California Code, San Francisco is required to periodically revise the Residence Element and to set forth a five-year program to address housing needs. The State periodically identifies housing needs for the San Francisco Bay Area and the Association of Bay Area Governments (ABAG) allocates the housing need among local governments. The local government must complete its Residence Element revisions and submit these revisions to the California Department of Housing and Community Development. ABAG has drafted a Residence Element revision work plan for local governments, consisting of three parts: data analysis, coordination with other local government agencies, and community participation. Under the ABAG plan, community participation consists of ongoing community involvement activities. The Planning Department's timeline for revising the Residence Element includes community review of the draft element at Planning Commission meetings, providing materials to mailing lists and on the Department's web site, and meetings with neighborhood organizations.

Outreach to community organizations has been only a small part of the Residence Element revision process. The Planning Department presented information on the Residence Element to the Planning Commission, the Board of Supervisors, and SPUR in 2001, and the Planning Commission held a public hearing on June 14, 2001. The Planning Department also made Residence Element presentations to two neighborhood organizations at the request of the organizations, and included Residence Element updates in some Better Neighborhoods and community plan meetings. The Planning Department's Time Accounting System shows only 33.5 hours allocated to "Residence Element – public involvement" in 2001.

For the drafting of two other General Plan elements, Land Use and Preservation, the Department has not articulated a clear process for community input. Drafting a Preservation Element has been a long-term process. The Department presented a draft Preservation Element to the Landmarks Preservation Advisory Board (LPAB) on June 21, 2000 and was instructed by the LPAB to go back and conduct community workshops to provide for community participation in drafting the element. After the Department conducted two workshops in August and September, the Department presented the draft Preservation Element at a LPAB hearing on October 4, 2000, posted the draft on the web site, and submitted a draft for review to a preservation expert. The Department has not yet received or pursued further responses to the draft Preservation Element. The Department also has a draft Land Use Element that was compiled from other elements of the General Plan but has not yet determined the next steps in completing and presenting the draft. The Department did not involve community organizations in drafting the Land Use Element and has not yet decided how to include community organizations in completing the draft Land Use Element.

Community Plans

As discussed in Section 3, under pressure from community organizations and from the Board of Supervisors, the Planning Department developed a proposal in FY 2001-2002 for a community planning process on the eastern side of San Francisco. Prior to the community plans, neighborhood organizations had few avenues within the Planning Department or before the Planning Commission for formulating policies on industrial land zoning, live/work developments and related issues. In one instance, a community-based organization, the Mission Anti-Displacement Coalition (MADC), developed interim zoning controls and introduced these proposed controls to the Board of Supervisors without Planning Department participation.

Alternative Community Planning Models

San Francisco fails to engage the community in the planning process in several ways.

- The Planning Department's Work Program does not consistently incorporate community participation in the planning process.
- The Planning Department does not have a formal, ongoing structure to include community organizations in the planning process.
- The Planning Commission does not provide a consistent and ongoing forum for community members to discuss planning policy.

Including Community Input in the Work Plan

The Planning Department develops plans and produces reports that would be enhanced by greater community participation. Not only neighborhood plans but General Plan revisions and other policy issues could reasonably solicit community participation. Participants in the planning process should include community-based organizations, groups with special focus (such as organizations for the elderly or disabled), business groups, property owners, and neighbors. The Planning Department does not have a consistent point in the planning process to include community participation. The Better Neighborhoods program and the Community Plans are set up to involve community members in early stages of the planning process. Other projects, such as General Plan revisions, have not determined when to solicit public input.

In their approach to neighborhood planning, the City of Portland Bureau of Planning, recommends setting up a steering committee of interested parties, including not only neighbors, community organizations and property owners, but representatives from local businesses and institutions, to be a core group for each neighborhood plan. Neighborhood plans are designed to update Portland's Comprehensive Plan (General Plan) Map, addressing topics such as land use, housing, open space, transportation, public safety, urban design, and historic preservation. They suggest appointing one person on the steering committee to be a contact person and coordinator. This is a somewhat more formal structure than currently exists for the Better Neighborhoods program and Community Plans in San Francisco.

The City of Portland also establishes citizen advisory committees to advise planners on citizen involvement in revising General Plan elements.³ Establishing formal advisory committees early in the planning process would assure more consistent community input.

Implementing an Ongoing Community Participation Structure

An alternative to steering committees for neighborhood plans and citizen advisory committees for General Plan revisions would be ongoing representative planning committees. An example of this approach is the County of San Diego, which has formed regional community planning committees to advise the Board of Supervisors, Director of Planning, and the Planning Commission, and other appropriate boards and commissions on planning, land use, and discretionary projects. In San Diego County, community planning committee members are elected within the regions they represent. If such an approach were replicated in San Francisco, community planning committee members could either be elected within each Board of Supervisors' district or appointed by the Supervisor for that district.

San Diego County has also established a countywide steering committee, made up of one member from each community planning committee, and an interest committee, with representatives from professional architect and planning associations, building and private land use interests, and environmental organizations. The steering and interest committees also serve as advisory bodies in the planning process.

Under the San Diego model, Planning Department staff prepare draft goals and policies for consideration by the community planning committees. The planning committees then review and revise the staff-prepared goals and policies with staff assistance and approve a draft set of goals and policies for publication. Draft goals and policies are publicized in the community and the community planning committees conduct open community meetings to discuss the draft. Final draft goals and policies are approved by a majority of the planning committee members. Based on the approved draft goals and policies, Planning Department staff prepare a preliminary plan and present the plan in public meetings. Based on input in the meetings, Planning Department staff may revise the preliminary plan, which is then approved by the community planning committee. In instances where Planning Department staff and the community planning committees disagree on the proposed plan, both proposals are presented to the Planning Commission and the Board of Supervisors.

The community planning committees are an integral part of San Diego County's processes for comprehensive revision and update of their General Plan. This model could be adapted to meet San Francisco's planning effort to implement specific community plans and revise individual General Plan elements.

³ "Zoning Tool Kit: the Handbook for Evaluating and Updating Comprehensive Plan and Zoning Maps", Bureau of Portland, Portland, Oregon, February 1997.

Ongoing Policy Discussion at the Planning Commission

Previously, in San Francisco community members have not had access to the planning process unless speaking to a specific project on the Planning Commission calendar or speaking during public comment. Community members have not had a regular mechanism for discussing policy matters at Commission meetings. Establishing ongoing planning committees creates a structure for community input into the planning process. However, the Commission currently allots only a small portion of time to policy discussions. In some jurisdictions, the Planning Commission is an advisory body to planning policy solely and does not review individual projects. In Seattle, Washington, and Portland, Oregon, individual projects are reviewed administratively and appeals are referred to either an administrative officer or the City Council. In other jurisdictions, the Planning Commission regularly sets aside specific times or meetings for policy discussions. The San Diego County Planning Commission, which meets on Friday, schedules workshops and invites speakers in months which have a fifth Friday (about two times per year). This provides an opportunity not only for the Commissioners to learn more about planning, but for community members to participate in a more general discussion about planning issues.

Conclusion

The Planning Department has only recently actively engaged community organizations in policy and planning. Although the Department created the Neighborhood Planning Unit and organized current planning functions into neighborhood teams in FY 1997-1998, the neighborhood teams have not worked regularly with neighborhood organizations. Prior to FY 1999-2000, the long range planning process was not structured to promote community involvement in the planning effort. In FY 1999-2000 the Department implemented a comprehensive neighborhood planning program, the Better Neighborhoods program, which incorporates community input into the planning process. The Department has recently implemented a community planning process in the five eastern neighborhoods of the City to develop new permanent zoning controls in those neighborhoods.

Planning Commission meetings are not generally structured to discuss policy matters and engage the community in the decision making process. The Planning Commission considers individual planning projects far more often than policy matters. Community members can speak to specific projects or during the public comment period, but the Commission does not regularly schedule public hearings on policy or planning issues, and therefore, does not provide an ongoing forum for community input on policy and planning.

Some jurisdictions have formalized processes for community input. The City of Portland, Oregon and the County of San Diego both have created neighborhood-based planning advisory committees which have clearly defined roles in reviewing revised and new plans for their areas. In San Diego County, committee members are elected and have established procedures for working with planning department staff on new or revised plans, including presentation of alternative plans to the Board of Supervisors in instances where they do not reach agreement

with staff. This type of approach in San Francisco would ensure greater community participation in the planning process.

Recommendations:

Based on the above findings, the Board of Supervisors should:

- 4.1 Establish advisory community planning committees in each of the eleven districts of the Board of Supervisors and appoint representatives to the community planning committee within the district; and,
- 4.2 Consider establishing a steering committee, comprised of one representative from each of the community planning committees, and an advisory interest committee, comprised of members of professional architecture and planning associations, building and land use groups, environmentalists, and other stakeholders in the planning process.

The Planning Commission should:

- 4.3 Establish regular planning policy workshops to provide an opportunity for Commissioners and community members to participate in a more general discussion about planning issues.

The Planning Department Director should:

- 4.4 Develop work plans that incorporate the community planning committees in developing General Plan and Planning Code proposals.

Costs and Benefits

These proposals would create an ongoing process for the community and stakeholders in the planning process to advise the Board of Supervisors, the Planning Commission and the Planning Department. The proposals would also provide a forum before the Planning Commission to discuss planning policy overall.

The establishment of the community planning committees would not have a direct cost impact. Working with the community planning committees should be incorporated into the existing Planning Department budget.

5. Long Range Planning Program Management

- The Planning Department's Citywide Policy and Analysis Unit projects are often not completed by their target completion dates. Delays in project completion ranging from five months to more than three years were found for at least ten projects. The Citywide Policy and Analysis Unit carries some projects forward from year to year, such as revision of General Plan elements, and submits new deferred target completion dates in its subsequent annual Work Programs. For ongoing projects, the Citywide Policy and Analysis Unit does not always dedicate sufficient resources to accomplish the activities outlined in the Work Program.
- Several factors lie behind the Planning Department's inability to consistently complete its long range planning projects. Long range planning priorities can change during the course of the year, causing the Department to set aside or delay projects with longer timelines for new projects with shorter timelines.
- In other instances, the Planning Department proposes long range planning projects in the annual Work Program but then does not have sufficient resources to complete all projects as the Work Program is not balanced with budgeted resources.
- The Department's Citywide Policy and Analysis Unit does not consistently develop formal work plans and timelines for all of its long range planning projects.
- The Planning Commission has not directed the Planning Department to complete and present draft policies, such as the Land Use and the Preservation Elements. Because the Planning Commission does not call for draft policies to be scheduled on the Commission's agenda for public hearing, longer term planning projects are set aside for more short term projects. Although priorities are often determined by the immediacy of a project, draft General Plan elements that underpin the long range planning process remain unfinished.
- The Director of Planning and the Chief of Citywide Policy and Analysis need to work with the Planning Commission, the Board of Supervisors and the community to define long range planning priorities for each coming year, including identifying and maintaining sufficient resources to achieve long range planning goals.

The Citywide Policy and Analysis Unit is responsible for developing and maintaining the General Plan, which is one of the Planning Department's principal activities. To support its General Plan work, the Citywide Policy and Analysis Unit collects and analyzes demographic, land use, and other data, and develops policy recommendations for the long term growth of San Francisco. Additionally, the Citywide Policy and Analysis Unit formulates area plans based on the General Plan to serve as guidelines for growth and development in San Francisco, develops planning policies and standards for planning in San Francisco neighborhoods, and coordinates housing, transportation, and land use planning policies with other agencies.

The Citywide Policy and Analysis Unit presents its plan of work for the coming year to the Planning Commission in the annual Planning Department Work Program. The Work Program spells out the Citywide Policy and Analysis Unit's projects and activities, the target date for completing each project, and the funds needed to accomplish the project or activity. In some instances, planning projects and activities are ongoing and do not have a target completion date.

The projects of the Citywide Policy and Analysis Unit are often not completed by their target completion date. The Citywide Policy and Analysis unit carries some projects forward from year to year, such as revision of General Plan elements, and submits a new target completion date in the annual Work Program. For ongoing projects, the Citywide Policy and Analysis Unit does not always dedicate sufficient resources to accomplish the activities outlined in the Work Program.

Unlike current planning work performed by the Neighborhood Planning Unit, in which the volume of development project applications drives the workload, long range planning priorities and workload are more discretionary. Planning and implementing long range planning projects could be a smooth process but in the San Francisco Planning Department the long range planning process is often interrupted. Proposed projects are often set aside for new, immediate projects. As a result, proposed projects presented by the Planning Department to the Planning Commission and the Board of Supervisors in the annual Work Program are often not completed, and other projects are substituted. The impact is that policy recommendations underpinning the planning process are not always formulated and adopted. For example, the Citywide Policy and Analysis unit has either not completed or the Planning Commission has not scheduled for a public hearing several draft new elements to the General Plan, such as the Land Use Element and the Preservation Element. These elements, when completed and adopted, would provide the policy basis not only for long range planning but for approving individual projects. Additionally, the Planning Department has not consistently met its obligation to work with or provide services to other government agencies, as outlined in the Department's Work Plan.

Several factors lie behind the Planning Department's inability to consistently complete its long range planning projects. Long range planning priorities can change during the course of the year, causing the Department to set aside or delay projects with longer timelines for new projects with shorter timelines. For example, the Planning Department interrupted their work on the draft Residence Element in FY 2001-02 to prepare a report on inclusionary housing to present to the Planning Commission, delaying the completion of the draft Residence Element to several months beyond its deadline of December 31, 2001.

In other instances, the Planning Department proposes long range planning projects in the annual Work Program but then does not have sufficient resources to complete the project. In reviewing the Planning Department's Work Programs over the past five years, the Department includes more staff hours for long range planning projects in the Work Program than available staff planners to accomplish the projects. For example, the Planning Department proposed \$2,918,000 in the FY 2000-2001 Citywide Policy and Analysis Work Program, equivalent to

approximately 21 full time equivalent positions (FTEs)¹ but the actual number of staff planners performing long range planning tasks that year equaled approximately 15 FTEs².

Even when the Citywide Policy and Analysis Unit allocates hours to a project, the project may not be completed or scheduled for a Planning Commission hearing. For example, in FY 2000-2001, the Citywide Policy and Analysis Unit spent 2,093 staff hours on drafting permanent Industrial Protection Zone zoning controls and produced a draft report, but the draft report was never scheduled for a Planning Commission hearing. In another example, from FY 1999-2000 until FY 2001-2002, the Department allocated approximately 1,218 hours per year, equivalent to 0.73 FTE, to draft the Land Use Element but has not yet completed the draft. Because the Planning Commission has not called for completion of the Land Use Element, completing the Land Use Element has become a low priority project for the Department.

Resources allocated for long range planning

Over the past several years, the Department has allocated a smaller portion of staff and resources to the Citywide Policy and Analysis Unit for long range planning projects than to the Neighborhood Planning Unit for current planning functions. The Planning Department proposed allocating from 21 to 27 percent of its resources to long range planning in its annual Work Program from FY 1997-1998 through FY 2001-2002, compared to 43 to 47 percent for current planning. The Exhibit below shows the portion of resources allocated to all divisions of the Department in the annual Work Programs from FY 1997-98 to FY 2001-02.

Exhibit 5.1
Percentage of the Planning Department Budget
Allocated to Long Range Planning in the Annual Work Program

	FY 1997- 1998	FY 1998- 1999	FY 1999- 2000	FY 2000- 2001	FY 2001- 2002
Citywide Policy and Analysis ¹	23%	21%	25%	27%	27%
Neighborhood Planning	47%	46%	45%	43%	43%
Information Services	15%	16%	14%	14%	14%
Major Environmental Analysis	15%	17%	16%	16%	16%
Total	100%	100%	100%	100%	100%

Source: Planning Department Work Programs

¹ Work Program data includes both Citywide Policy and Analysis and Special Projects. Special Projects include Planning Code amendments or policy projects initiated by the Board of Supervisors or the Mayor, policy formation for special development projects (such as the Municipal Railway hotel development at Mission and Steuart Streets), and large area planning projects (including Mission Bay, Transbay Area, Treasure Island, Bayview-Hunters Point, and the Hunters Point Shipyard).

¹ This estimate of FTEs is based on the total Citywide Policy and Analysis budget allocation in the FY 2000-2001 Work Program, less the costs for Better Neighborhoods program consultants, divided by the Department's estimated cost per FTE.

² Based on the Planning Department's Time Accounting System.

The Planning Department began to increase resources to the Citywide Policy and Analysis Unit in FY 1999-2000 to implement the Better Neighborhoods program (discussed below). In the same year, funding was reduced for Special Projects and was deleted entirely in the FY 2001-2002 budget. In FY 2001-2002, the Department transferred funds formerly included in Special Projects to the Citywide Policy and Analysis Unit. Overall, the resources for long range planning projects, including planning staff, have increased over the past five years, as shown in Exhibit 5.2.

Exhibit 5.2
Actual Planning Staff Allocated to Long Range Planning Projects
From FY 1997-1998 through FY 2001-2002

	FY 1997- 1998	FY 1998- 1999	FY 1999- 2000	FY 2000- 2001	FY 2001- 2002 ¹
Long Range Planning Staff Full Time Equivalent Positions	9.58	8.78	13.72	15.03	16.31

¹ Projected through June 30, 2002, based on actual hours from July 1, 2001 through February 21, 2002.
Source: Planning Department Time Accounting System

Because the Citywide Policy and Analysis Unit is rarely staffed at its full authorized level during the course of the year, staff time allocated to long range planning projects is less than the actual amount of staff planners included in the budget. The Planning Department received five new staff planners for the Citywide Policy and Analysis Unit in FY 1999-2000, when the Board of Supervisors approved the Better Neighborhoods program. From FY 1999-2000 through FY 2001-2002, the Citywide Policy and Analysis Unit Work Program budget called for approximately 21 full time planner staff, although the actual number of staff ranged from 13.72 to 16.31 FTEs, as shown in Exhibit 5.2. In fall 2001, the Planning Department assigned an additional five vacant planner positions to the Citywide Policy and Analysis Unit to work with community organizations in developing community plans, as discussed in Section 3. In January 2002, the Citywide Policy and Analysis Unit had 25 staff planners, including interns. However, this translates to only 16.3 FTEs projected for the full year because all staff have not been on board all year. The Chief of the Citywide Policy and Analysis Unit expects full staffing of 26 planners in FY 2002-2003, and anticipates sufficient staff resources to complete the long range planning projects outlined in the FY 2002-2003 Work Program.

Long Range Planning Work Flow

The Citywide Policy and Analysis Unit's annual Work Programs contain both planning projects with target completion dates and projects that are ongoing. As shown in Exhibit 5.3, the Planning Department has not reached many of its target dates for completing long range projects.

Exhibit 5.3
Citywide Policy and Analysis Projects
Expected and Actual Completion Dates

Project	Fiscal Year Project Started	Expected Completion Date	Actual Completion Date
Adopt Telecommunications Chapter of Community Facilities element	FY 1997-1998	June 1999	Not adopted
Evaluate Planning Code Article 7 (Neighborhood Commercial Districts) and amend Planning Code accordingly	FY 1997-1998	June 2000	Calendar year 2000
Draft Land Use Element	FY 1998-1999	June 1999	Not completed
Adopt Recreation and Open Space element	FY 1998-1999	November 1998	Proposed Amendments presented to Commission June 2000; not adopted
Citywide Code Enforcement program	FY 1998-1999	June 1999	Code Enforcement Program introduced in FY 1999-00
Draft update of the Urban Design element	FY 1999-2000	June 2000	Not completed
Adopt Residence element	FY 2000-2001	December 2001	Expected to be completed in June 2002
Central Waterfront and Market-Octavia Better Neighborhoods	FY 2000-2001	Public hearings January 2001	Expected to be completed and plans adopted prior to June 30, 2002
Balboa Park Better Neighborhood	FY 2000-2001	Draft plan January 2001	Expected to be completed and plans adopted prior to June 30, 2002
Hold hearings and complete Industrial Protection Zone controls	FY 2000-2001	November 2000	Not adopted
Community plans for the City's eastern neighborhoods and industrial zones	FY 2001-2002	Summer 2002	In process

Source: Planning Department Work Programs

In addition to the discrete projects noted above, Citywide Policy and Analysis work consists of ongoing projects, including analyzing and presenting demographic, land use, housing and economic data, coordinating housing and transportation policy with other local government agencies, and coordinating planning projects in Redevelopment Areas with the San Francisco Redevelopment Agency. As shown in Exhibit 5.4, the Citywide Policy and Analysis Unit allocated approximately 20 to 30 percent of staff planner hours to data analysis, reviewing major planning projects and preparing Planning Code text amendments and drafts on specific planning projects. Almost one-third of staff planner hours in FY 2000-2001 and FY 2001-2002 were allocated to the Better Neighborhoods program. The portion of hours allocated for long range planning projects with other government agencies has decreased from approximately 20 percent in FY 1999-2000 to less than 10 percent in FY 2001-2002.

Exhibit 5.4

Percent of Citywide Policy and Analysis Unit Staff Hours Allocated to Long Range Planning Projects and Activities³

Projects and Activities	FY 99-00	FY 00-01	FY 01-02 (estimated)
Better Neighborhoods	26%	30%	33%
Industrial Protection Zones and Live/work	15%	12%	23%
Data analysis, project review, text amendments	22%	29%	20%
Housing (including Residence Element)	2%	6%	9%
Projects with other agencies	20%	14%	8%
General Plan Elements	13%	8%	7%
Other	2%	2%	0%
Total	100%	100%	100%
Actual FTEs	13.7	15	16.3

Source: Planning Department Time Accounting System

Citywide Policy and Analysis Time Management

Some components of the Citywide Policy and Analysis Work Program, such as drafting the Land Use Element, have internally developed timelines and other components, such as adopting the Residence Element, have timelines imposed by the State. The Citywide Policy and Analysis unit gives priority to projects with external timelines, but does not always meet these timelines. For example, the California Government Code required San Francisco to complete the Residence Element by December 31, 2001, but the Department is not likely to complete the Residence Element before spring or early summer 2002.

The Citywide Policy and Analysis unit assigns long range planning projects and activities over the course of the year, determining which projects need to be accomplished by certain dates. Because the work program contains more projects than available staff to complete the project, each staff planner is assigned to more than one project or activity. The unit has a staffing matrix, outlining the major task areas and the staff assigned to each area. Each of the four unit managers keeps a weekly task list for the staff planners in his or her work group. Each Friday, the unit managers identify the tasks for each staff planner for the next week. The Chief of the Citywide Policy and Analysis unit meets weekly with all staff planners. The four unit managers are also scheduled to meet weekly with the Chief, although these meetings do not always occur.

³ The allocation of Citywide Policy and Analysis Unit's staff hours for Better Neighborhoods only includes actual planning staff hours allocated to the program and does not include consultant hours. FY 2001-02 estimates are based on actual data through mid-year.

Additionally, individual projects may have task lists and associated timelines. For example, Citywide Policy and Analysis Unit staff planners prepared a task list and time line to draft the Residence Element. The planners identified the various components of drafting the Residence Element and a timeline for completing each component.

While these tools are a reasonable approach to project time management, workflow on specific projects is often interrupted. Staff planners preparing the Residence Element draft were reassigned to prepare a report on inclusionary housing policy. When this occurred, the Residence Element timelines were revised to show the interruption in workflow, and the Chief of the Citywide Policy and Analysis unit revised the staffing matrix to show the revised staff assignments.

Some projects do not have work plans. For example, no work plan or timelines for drafting the Land Use Element have been written, and no formal work plan for the community planning process to draft five community plans has been developed. For the community plans, the Department has set general timelines to complete the plans within six to eight months and has a basic structure and concept of what the plans should accomplish. The Citywide Policy and Analysis Unit postponed preparing a program for moving forward in the community planning process until the five community workshops were completed.

Updating and Revising General Plan Elements

The California Government Code requires that the Residence Element be updated regularly, but does not set time frames for updating other elements. The Planning Department revises and updates other General Plan elements as needed. As noted above, under California Government Code, the Residence Element was due on December 31, 2001, but the Department does not expect to complete the draft Residence element prior to spring or summer 2002.

The Department has included funds in its annual Work Program for the last three fiscal years to draft an Urban Design Element but has not allocated planning staff hours to drafting the element. Consultants have conducted some preliminary background studies and analysis of the downtown area. In the FY 2002-2003 work program, the Department has proposed \$300,000 for drafting the Urban Design Element, to be completed in December 2003.

The Department has included funds to draft a Land Use Element in the annual work program for the past four fiscal years. During this period, the Department has allotted approximately 1,218 hours per year, equivalent to 0.73 FTE, to drafting the Land Use Element⁴. Although the California Government Code requires that the General Plan contain a Land Use Element, it does not restrict how the local government incorporates land use into the General Plan. Currently, the San Francisco General Plan contains land use references within its other elements but does not contain a separate Land Use Element. Initially, the Department compiled a compendium of land use references within the General Plan and is now writing a more comprehensive land use policy in a Land Use Element. The Planning Commission has not called for the completion of the Land Use Element, which has become a lower priority project for the Department. The Citywide

⁴ Based on the Department's Time Accounting System.

Policy and Analysis unit considers the Land Use Element, which underpins long range planning for City neighborhoods, a priority for the unit. The Department has included funds in the FY 2002-2003 work program for drafting the Land Use Element, with a new expected completion date of June 2003.

The General Plan does not currently contain a Preservation Element, nor does the California Government Code require this element. However given the importance of historical and landmark buildings in San Francisco, inclusion of this element in the General Plan seems like a necessity. Drafting a Preservation Element has been a long term project within the Department although the Citywide Policy and Analysis unit does not include funds for drafting the Preservation Element in its annual Work Program.⁵ Over the past five years, the Citywide Policy and Analysis unit has allotted approximately 270 hours per year, equivalent to 0.15 FTE, to drafting the Preservation Element. The Department presented a draft Preservation Element to the Landmarks Preservation Advisory Board in June and October 2000, conducted public workshops in September and August 2000, and posted the draft Preservation Element on the Department's web site. The Planning Commission has not yet called for a Commission hearing of the draft Preservation Element.

Better Neighborhoods

The Board of Supervisors appropriated \$1,260,317 to the Better Neighborhoods program in FY 1999-2000 for a comprehensive planning effort in three San Francisco neighborhoods, including five new planner positions. Total Better Neighborhoods funding for FY 1999-2000 through FY 2001-2002 is \$3,620,294. Of the \$3,620,294 allocated to the Better Neighborhoods program, \$2,962,000 is allocated for contractual services, including public outreach, transportation planning, urban design, environmental planning, and other related services.

The Board of Supervisors approved initial funding for the Better Neighborhoods program in July 1999. The initial hiring of in-house staff was delayed, and in FY 1999-2000, the Department allocated approximately 3.75 FTEs to Better Neighborhoods, or 1.25 fewer positions than the five positions approved in the budget.⁶ In FY 2000-2001, the Department allocated approximately five planner positions to Better Neighborhoods, and in FY 2001-2002 the Department will have allocated six planner positions to Better Neighborhoods.⁷

⁵ Neighborhood Planning includes funds in the annual Work Program for "implementing the Preservation Element", which includes Landmarks Preservation Advisory Board designation of landmarks and conducting a multi-year comprehensive Citywide Survey of Cultural Resources.

⁶ The estimate of positions is based on the Department's Time Accounting System.

⁷ The estimate of positions is based on the Department's Time Accounting System through February 21, 2002.

In the early stages, the Department did not develop a formal work plan or timelines for Better Neighborhoods, although the Department had a general idea about total program costs and time frame, and expected to implement the program in approximately two years. During the start-up phase for the Better Neighborhoods program, staff working with the program developed a general approach to the program, including integrating the community and working with other agencies. Planning Department staff moved the program forward, although a formal work plan and timelines were not developed. The first public workshops and other outreach efforts were begun in Spring and Summer 2000. The Department contracted for consultant services, including transportation analysis, urban design, and economic and real estate analysis, in Fall 2000. The Department expects to complete the initial draft Better Neighborhoods plan for the three Better Neighborhoods in Spring 2002. The Department has included \$300,000 in the FY 2002-2003 Work Program to complete Better Neighborhoods program implementation for the three neighborhoods by December 2002.

Working with other agencies

The Planning Department provides services to other departments and agencies, including the Port, the Municipal Transportation Agency (MTA), and the San Francisco Redevelopment Agency (SFRA) in developing long range planning policies and programs. The Planning Department has a Master Services Agreement with SFRA for FY 2000-2001 through FY 2002-2003 to provide long range planning and land use policy services in Redevelopment areas. Under the Master Services Agreement, the Planning Department is to assist in long-range community planning efforts and prepare General Plan and Planning Code amendments in Redevelopment areas overlapping the Central Waterfront and Market-Octavia Better Neighborhoods. The Planning Department is also responsible for preparing General Plan and Planning Code amendments for the Transbay, Hunters Point Shipyard, Yerba Buena Center, and Mission Bay Redevelopment areas under the Master Service Agreement. In FY 2000-2001, the first year of the three year Agreement, the Planning Department included only \$195,000 in the annual Work Program for Master Service Agreement projects, although the average annual cost for the service in the Agreement was \$460,000.⁸ In FY 2000-2001, the Department allotted approximately 2.09 positions to Redevelopment work⁹, or 1.36 fewer positions than the 3.45 positions estimated in the Master Service Agreement.¹⁰

⁸ The Master Service Agreement equals \$1,375,000 for three years or approximately \$460,000 per year. In the FY 2002-2003 proposed Work Program, Redevelopment Agency planning projects are not identified separately from other long range planning projects. The Department has included \$500,000 in the Work Program for new Downtown Neighborhoods and Transit Corridor plans, which includes Redevelopment Agency areas.

⁹ Based on the Planning Department's Time Accounting System.

¹⁰ In FY 1997-1998 and FY 1998-1999, the Planning Department spent more on long range planning projects for the Redevelopment Agency than were included in the annual Work Program. The Planning Department included \$307,000 in the FY 1997-1998 Work Program for Redevelopment Agency planning projects and \$218,000 in the FY 1998-1999 Work Program for Redevelopment Agency planning projects. In FY 1997-1998, the Planning Department allocated 6,025 hours to Redevelopment Agency projects, equal to \$536,225 at an estimated \$89 per hour, and in FY 1998-1999 the Planning Department allocated 3,649 hours to Redevelopment Agency projects, equal to \$324,783 at an estimated \$89 per hour.

Generally, Planning Department staff provide fewer services to other City agencies than are allocated in the Department's annual Work Programs. As noted in the table below, in FY 1999-2000 and FY 2000-2001, the estimated Department expenditures for services to other agencies is less than the allocation included in the annual Work Program.

Interviews with Planning Department staff and staff from other agencies indicate that the working relationship between the Planning Department and other agencies is uneven. In some cases, the working relationship was described as "good", such as the interaction between the Port and the Planning Department on the Central Waterfront. In defining day to day priorities, Planning Department staff state that working with other agencies can be lower priority than other long range planning tasks.

Exhibit 5.5
Work Program vs. Expenditures for
Services to Other Departments¹¹

	FY 99-00	FY 00-01	FY 01-02 (estimated)
Port			
Work Program	\$35,000	\$37,000	\$40,000
Estimated Expenditures	<u>16,897</u>	<u>2,612</u>	<u>1,311</u>
Difference	\$18,103	\$34,388	\$38,689
Redevelopment Agency			
Work Program	\$216,000	\$195,000	\$460,000
Estimated Expenditures	<u>105,505</u>	<u>85,651</u>	<u>25,288</u>
Difference	\$110,495	\$109,349	\$434,712
MOH - Housing Coordination			
Work Program	\$10,000	\$10,000	\$10,000
Estimated Expenditures	<u>14,094</u>	<u>10,876</u>	<u>9,780</u>
Difference	(\$4,094)	(\$876)	\$220
Downtown Pedestrian Plan			
Work Program	\$44,000	\$51,000	\$75,000
Estimated Expenditures	<u>19,422</u>	<u>31,400</u>	<u>41,232</u>
Difference	\$24,578	\$19,600	\$33,768
Transportation Brokerage Transportation Authority			
Work Program	\$92,000	\$102,000	\$75,000
Estimated Expenditures	<u>41,012</u>	<u>34,526</u>	<u>35,214</u>
Difference	\$50,988	\$67,474	\$39,786
Transportation Management Association Transportation Authority			
Work Program	\$60,000	\$102,000	\$75,000
Estimated Expenditures	<u>38,672</u>	<u>35,168</u>	<u>22,206</u>
Difference	\$21,328	\$66,832	\$52,794
Transportation Preferential Streets Muni and DPT			
Work Program	\$35,000	\$40,000	\$75,000
Estimated Expenditures	<u>18,629</u>	<u>16,143</u>	<u>13,226</u>
Difference	\$16,371	\$23,857	\$61,774
DPW Projects			
Work Program	\$0	\$0	\$25,000
Estimated Expenditures	<u>40</u>	<u>1,327</u>	<u>849</u>
Difference	(\$40)	(\$1,327)	\$24,151
Total			
Work Program	\$492,000	\$537,000	\$835,000
Estimated Expenditures	<u>254,269</u>	<u>217,704</u>	<u>149,106</u>
Difference	\$237,731	\$319,296	\$685,894

¹¹ Estimated expenditures are based on the number of hours dedicated to projects with other agencies in the Department's Time Accounting System.

Conclusion

Long range planning projects are not completed for a variety of reasons. Some projects are not completed because the annual Citywide Policy and Analysis Unit's Work Program requires more staff than is actually allocated to the Unit. Consequently, the Citywide Policy and Analysis Unit not only assigns fewer staff to a project than the project requires, but also assigns staff to work on more than one project. Staff time is not concentrated on one project but pulled between projects, contributing to projects not being completed on time. With this approach completing projects by the deadlines in the Work Program becomes impossible.

Other factors also contribute to incomplete long range planning projects. The Citywide Policy and Analysis Unit does not consistently develop formal work plans and timelines for long range planning projects. Neither the Better Neighborhoods Program nor the community planning process began with formal work plans, although each project had general concepts of the program tasks and time frame. Projects that are lower priority for the Citywide Policy and Analysis Unit, such as drafting the Land Use Element, do not have work plans with timelines other than the target completion dates included in the annual Work Program. The target completion dates are moved forward in each year's Work Program if the project has not been completed. The Land Use Element had four separate target completion dates in four annual Work Programs, with an initial target completion date of September 1998 and a most recent target completion date of December 2001. Because the Citywide Policy and Analysis Unit does not enforce project timelines, projects can drag on without completion. The Land Use Element draft has gone through several iterations without a completed product to be presented to the Planning Commission. Planning Department management needs to increase its oversight of the long range planning process, including reviewing the work product at different stages of the process and monitoring timelines throughout the process.

The Planning Commission has also not directed the Planning Department to complete and present draft policies, such as the Land Use and the Preservation Elements. Because the Planning Commission does not call for draft policies to be scheduled on the Commission's agenda for public hearing, longer term planning projects are set aside for more short term projects. Although priorities are often determined by the immediacy of a project, draft General Plan elements that underpin the long range planning process remain unfinished.

The Citywide Policy and Analysis Unit expects to be fully staffed in FY 2002-2003 and able to perform all long range planning projects and activities in the Work Program. The Citywide Policy and Analysis Unit budget in the proposed FY 2002-2003 Work Program is \$2,800,000, which is equivalent to 26 planner positions. Therefore, with better management oversight of the long range planning process, the Citywide Policy and Analysis Unit should be able to accomplish its goals. To better achieve its work program goals, the Director of the Planning Department and Chief of Citywide Policy and Analysis need to work with the Planning Commission, the Board of Supervisors and the community in defining long range planning priorities for the coming year. Once the priorities are established, the Planning Department needs to identify and maintain sufficient resources to achieve its long range planning goals. Changes in the long range planning work program, including changes in resources allocated to

Citywide Policy and Analysis, need to be presented to the Planning Commission for public review and discussion. The Citywide Policy and Analysis unit needs to develop well-formulated work plans for its long range planning projects and more rigorously monitor timelines. Finally, the Director of Planning needs to work closely with the Planning Commission in requesting the completion of draft planning policies, including draft General Plan elements, and scheduling public hearings for draft planning policies at the Planning Commission.

Recommendations

Based on the above findings, we recommend that the Director of the Planning Department:

- 5.1 Identify and maintain sufficient resources to achieve the Department's long range planning goals and present changes in the Citywide Policy and Analysis Work Program to the Planning Commission for public review and discussion;
- 5.2 Develop well-formulated realistic work plans for long range planning projects and rigorously monitor work plan timelines;
- 5.3 Work with the Planning Commission to request the completion of and public hearings regarding draft long range planning policies before the Commission; and,
- 5.4 Direct the Chief of the Citywide Policy and Analysis Unit to present monthly status reports to the Director of Planning on all projects, including all hours spent compared to the number planned, milestones accomplished, and explanations for any delays.

Costs and Benefits

Our proposed recommendations would not result in increased costs to the City. These recommendations would assist the Planning Department set long range planning priorities and achieve long range planning goals, consistent with the goals of the Planning Commission, the Board of Supervisors and the community.

6. Permit Streamlining Act

- State law governs many aspects of the development project approval process administered by planning agencies. It requires that certain information be provided to applicants and sets time limits on the key phases of the application review process including determining if an application is complete, analyzing and acting on proposed projects and environmental review.
- The various State Government Code sections known as the Permit Streamlining Act require that development project applications be reviewed and their completeness determined within 30 days of submission. Once determined complete, processing and making a decision on the application can consume no more than 60 days for cases that do not require an environmental impact report. For those cases requiring environmental review that receive Negative Declarations of environmental impact, environmental review can take no more than 180 days.
- The Planning Department is not operating in compliance with State time limits on development project applications. The process for determining completeness is unclear and often consumes more than 30 days. Median processing time for a sample of 19 cases approved in 2001 that did not require environmental impact reports was 80 days, which is 20 days more, or 33 percent, than the 60 maximum days allowed by State law. A similar analysis of environmental review case processing time is not possible because the Department does not keep records of when applications are determined complete, the starting point for State environmental review time limits. However, median processing time for a sample of 56 environmental review cases was 211 days, or 31 more than the 180 day maximum allowed by State law. Even if staff took the full 30 days allowed by State law to determine application completeness on all these cases before beginning their evaluation, 28 cases, or half of the cases reviewed, still exceeded the State time limits.
- The Department does not have a system in place for tracking compliance with Permit Streamlining Act time limits. Many of the key dates needed to determine compliance are not recorded on the Department's case tracking computer system making it impossible to determine compliance with the State time limits without a manual review of case records. While applicants are just as often the source of delays in case processing as staff, the Department does not have a method of suspending cases where applicants are the source of delay.
- Application forms and materials are confusing and do not provide written information to applicants required by State law. The State requires disclosure of Permit Streamlining Act time limits for determination of application completeness and case processing, a list of materials required for each type of application to be determined complete and the criteria by which the Department determines if applications are complete.

Determination of application completeness requirements

Many aspects of development project application processing are governed by State law, primarily those involving information to be provided to applicants and case processing time limits. The State requires that local planning agencies provide applicants with a detailed list of the information and materials that will be required to process development project applications. Planning agencies are also required to provide a description of the criteria that will be used by the agency to determine the completeness of applications submitted and to provide information on all State mandated time limits on application review and processing, as discussed further below¹.

Once a development project application is submitted, local planning agencies are required to determine whether or not it is complete and to notify the applicant of this determination *in writing* within 30 days of application submission (California Government Code §65943). If an application is determined to be incomplete, the planning agency is required to provide a written description of what the applicant needs to provide to make the application complete. Failure to provide such written documentation within 30 days means that the agency must accept the application as complete and cannot deny the project based on a lack of information provided.

Resubmittal of an application begins another 30 day review period. While additional subsequent requests are allowed by State law, once an application is determined to be complete, planning agencies are not allowed to request additional information other than what was included on the original requirements list, or, clarifications or amplifications of those materials. Planning agencies are supposed to provide an appeal process for cases that are determined to be not complete more than once.

The Planning Department is not operating in full compliance with these State requirements. The Department's application forms do include lists of required materials and information but these lists are defined by the Department as the minimum information needed to begin application processing, not a complete list of requirements that will (or might be) required for an application. Written materials provided to applicants do not include: 1) a description of the criteria that will be used to determine if an application is complete; 2) disclosure of the 30-day time limit on determining application completeness; and, 3) a description of other State mandated case processing time limits.

Many applicants interviewed as part of this audit indicated that the Department's process of determining completeness is unclear to them. Some also stated it is not unusual to keep receiving requests for additional information long after 30 days from the date of application submission.

Part of the explanation for applicant confusion about the process is that there are two tiers to the Department's determination of application completeness. For the first tier, an applicant is required to submit an application and all required information and materials to the Department's Application Intake Center. There, a staff member reviews the application for completeness and compliance with the information requests. In the case of conditional use applications, for

¹ California Government Code §65940 and 65941.

example, an intake planner would screen an application for the following required materials, as identified in the conditional use application form:

- Application form
- 300-foot radius map
- Address labels (original and copy) for notifying neighbors
- Site plan
- Floor plan
- Elevations
- Section 303 requirements
- Proposition M findings (the project's conformity with General Plan priority policies)
- Photographs
- Check payable to Planning Department
- Application signed by owner or agent
- Letter of authorization for agent

Submittal of all required information would seem to indicate that an application would be deemed complete and case processing could commence. The application form states that,

"All plans, drawings, photographs, mailing lists, maps and other materials required for the application must be included with a completed application form...The application will be accepted only when it is complete in all respects."

However a warning is included on the application form that,

"...some applications will require additional materials not listed..."

And the second tier of review for application completeness is explained later in the application form as follows:

"Receipt of the...required materials by the Department serves to open a Planning file for the proposed project. After the file is established it will be assigned to a planner. At that time, the planner assigned will review the application to determine *whether it is complete* or whether additional information is required in order for the Department to make a decision on the proposal." (emphasis added)

Finally, applicants are required to sign the following acknowledgement and submit it with their application:

"I understand the receipt of these materials by the Department does not mean that the application has been accepted as complete..."

This language indicates that the Department is not bound to accept an application as complete even if the applicant provides all materials on the list. However, the Department still would be bound to the State requirement that completeness be determined within 30 days for applications accepted by the Application Intake Center.

After applications are reviewed by Department Application Intake Center staff, a written memorandum is provided to applicants informing them of whether the minimum required

information has been satisfactorily provided. If the minimum requirements have been met, applicants are informed that processing of their application can begin. If some required information is lacking, the applicant is told that processing of their application cannot begin until the missing information is provided. Commencement of application processing, not explained in their memorandum, appears to mean that the second tier of determining application completeness by the case planner will commence. Adding to the confusion is the language on this Application Intake Center form sent to applicants that,

“If required materials are missing, your application cannot be determined complete until all required items are submitted.”

This seems to imply that if all materials were provided, the application would be determined complete. But the materials referred to are only materials required for the “first tier” review.

The Department’s second tier of review for application completeness begins once the case planner reviews the application. If the case planner determines that additional information is needed, this is requested of the applicant on a written form entitled “Notice of Planning Department Requirements”. It lists the additional required information and includes the language,

“time limits for review of your project *will not commence* until we receive the requested information or materials and verify their accuracy” (emphasis added).

There is no explanation of the time limits on this form.

As a result of this two-tiered review, applicants can and do receive notification that they have provided all of the minimum required information and case processing can commence and then subsequently or simultaneously receive a request for additional information from the case planner indicating that their application is not complete, that additional information is required and that case processing time limits will not commence. In one case file reviewed, the applicant received a memorandum from the Application Intake Center indicating that their application was complete and, on the same date, a separate notice from the case planner indicating that they needed to provide additional information for their application to be complete.

The Application Intake Center review and written notification to applicants regarding their compliance with the minimum information requirements appear to conform to State law in that the review is based on the applicant’s provision of the required materials. But the subsequent determination(s) of completeness by the case planner appears less compliant. The State Government Code says that, “ the agency’s determination (of an incomplete application) shall specify those parts of the application which are incomplete...”². The requests from case planners seem to go beyond this definition. Examples of requests made by case planners in case files reviewed, all of which were accompanied by a statement that their applications could not be considered complete until the requested information was provided included the following:

- requests for revisions to the project’s proposed bulk

² California Government Code § 65943

- alternative ideas for providing parking
- information on tenants in the building to be altered
- identification of all financial services institutions in the neighborhood already, including percentage of financial services establishments in the occupied commercial frontage on the subject block

These may be legitimate information needs for processing the application but they should not be tied to determining application completeness. They are more appropriately part of case processing and analysis. They are not linked to incomplete portions of the original application. Applicants would not be able to predict that information such as this might be required, resulting in delays in processing because the requests are coupled with a determination that the application is not complete.

While the initial Application Intake Center reviews are generally completed within a day or two of application submission, it is not unusual for the case planner determination of completeness and requests for more information to be made more than 30 days after application submission. Multiple successive requests for different information are not unusual, each request indicating that the application is still not complete.

In a review of 54 completed case files conducted for this audit, approximately half did not include written documentation sent to the applicant indicating whether or not their application was determined complete within 30 days, either from the Application Intake Center or the case planner. It appears that most applicants do not receive a written notice of the determination of completeness, as required by State law. However, 28 of the case files reviewed did contain notification from the Application Intake Center indicating whether or not the application submitted contained the minimum required materials and/or notice from the case planner. Seven of the case files reviewed contained one or more written "Notice of Planning Department Requirements" prepared by the case planner and requiring additional information that would need to be submitted before the application could be considered complete. The median number of days between the case application date and the case planner's request for additional information in these cases was 42, or 12 more than allowed by State law. In only one of these seven cases was the number of days less than 30.

There is no statement on any Department application forms, other Department printed materials provided to applicants or the Department web site indicating that applications will be determined complete within 30 days of submission or informing them of Permit Streamlining Act processing time requirements. There is no explanation of the process overall or the difference between the initial determination of completeness by the Application Intake Center and the subsequent determination of completeness by the case planner, and which one counts against State time requirements. In fact the wording is confusing in this regard.

Numerous applicants interviewed for this audit made statements about the requests for additional information that regularly occur while their application is in process. Many commented on the confusing nature of the determination of completeness and noted that there is no information about State-mandated time limits on Department application forms, other printed information or the Department web site.

Information regarding timelines and required materials in other jurisdictions

A review of planning application forms and public information from some other jurisdictions provide a contrast to information provided to the public by the Planning Department. The City of Berkeley's User Permit and Variance Checklist (see Attachment A) contains a list of mandatory materials and information required for all applications unless waived by a planner and a list of materials that may be required. The first group includes standard items such as an application form, vicinity map, photographs, site plans, floor plans and elevations. The second group contains items that are frequently, but not always, required. These include items such as a hazardous materials use questionnaire, traffic analysis reports, shadow studies, landscaping plans, topographic survey data, grading plans, and others. The instructions to applicants state that:

"The project planner will, *within thirty days of your application filing*, advise you if additional materials, including the [listed materials that may be required] are required or whether submitted materials need to be corrected or augmented." (emphasis added)

The City of Oakland uses a consolidated application form for all development reviews. Like Berkeley, it contains a master list of information showing required information for all applications and information that may be required depending on the project. It also indicates the type of projects for which the non-mandatory information will probably be required such as grading plans, generally required for projects that propose any site grading. The City of Fremont's conditional use application instructions explicitly state that project planners will notify applicants of whether their application is complete within 30 days of submittal.

In contrast to these other jurisdictions, San Francisco's conditional use application form lists required materials for the first tier review of the application only. There is no information on the form about the process or time limits or any list of other materials that are commonly required such as transportation studies, shadow studies or others.

Processing time requirements

After an application is determined complete, the State Permit Streamlining Act sets time limits on processing development project permit applications (California Government Code §65950-65952). The number of days until a decision must be made on an application depends on the level of environmental review governing the project. Every project is classified in one of the three following environmental review categories:

1. *Categorical Exemption/General Rule Exclusion*: for projects that are statutorily exempt or where it can be seen with certainty that there is no possibility that the proposed project will have a significant effect³ on the environment. A related category of projects are called General Rule Exclusion projects because they are covered by the General Rule in the

³ Significant effect is defined in the California Environmental Quality Act (CEQA) as a "substantial and adverse" impact on the environment.

California Environmental Quality Act (CEQA) stating that CEQA applies only to projects which have the potential for causing a significant effect on the environment.

2. *Negative Declaration (Neg. Dec.)*: for projects where the conclusion of an assessment of potential effects is that the proposed project could not have a significant effect on the environment or that the project could have a significant effect but this will not occur because the effects can be mitigated.
3. *Environmental Impact Report (EIR)*: for projects where a determination is made that they may have a significant effect on the environment.

The requirements shown in Exhibit 6.1 apply to all applications processed by the Planning Department. As shown, the maximum allowable processing time is longer if an environmental impact report is required since these tend to be larger and more complex projects. A flow chart showing the time limits is presented on the next page.

Exhibit 6.1
Maximum number of days allowed
by State law for processing development project applications

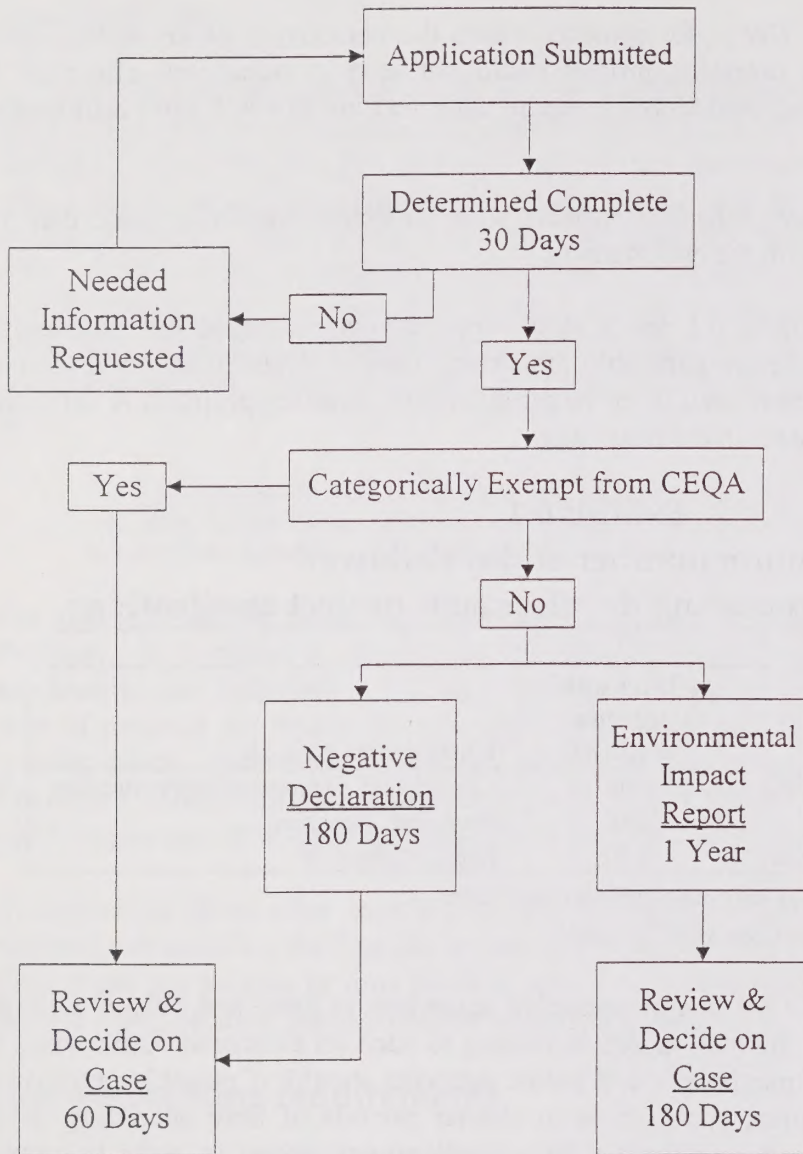
Environmental review status	# Days until decision required	Clock starts date of:
Categorically exempt/GRE*	60	Categorical Exemption determination
Negative Declaration	60	Neg. Dec. adoption
Environmental Impact Report	180	EIR certification

*GRE similar to categorically exempt but a different legal status.

Source: California Government Code §65950 - 65952

The time limits shown in Exhibit 6.1 can be exceeded according to State law only if a project applicant and the public agency mutually agree in writing to such an extension. Otherwise, the time limits are to be considered maximums and public agencies should, if possible, approve or disapprove the development project applications in shorter periods of time according to the Government Code. Disapproving an application for a development project in order to comply with the time limit requirements is not allowed.

State Time Limits on Application Processing



Finally, the law states that any projects for which approval decisions are not reached within the required time frames are automatically deemed approved⁴.

A review of a random sample of development project applications acted on by the Planning Commission in Calendar Year 2001 revealed that the Planning Department is not operating in compliance with these State requirements. Exhibit 6.2 shows the median number of processing days for 19 randomly selected cases starting with the date of Categorical Exemption/General Rule Exclusion or adoption of a Negative Declaration and ending with final Planning Commission action on the project. The sample was comprised of all types of projects approved by the Planning Commission, primarily conditional use, discretionary review and variances⁵. Unfortunately, many of the other projects reviewed as part of the audit case sample could not be included in this analysis because there were no records for many projects of the date the Department determined the projects were categorically exempt from CEQA.

Exhibit 6.2 Median Number of Processing Days for Sample of Applications Processed in 2001

Environmental Review Status	Maximum # Days Allowed	Median # Days in Process	# Days over 60
All projects reviewed	60	80	20
Categorical exemption projects only	60	79	19
Negative Declarations only	60	83	23

Sample size =19 projects acted on by the Planning Commission in 2001

Sources: Planning Commission minutes, docket files, Planning Department's Parcel Information Database system

As shown, the median number of processing days for the projects was 80, or 20 more than the maximum 60 days allowed by State law. For the subset of projects that were categorically exempt from environmental review, median processing time was 79 days. For projects for which Negative Declarations were adopted, the median number of processing days was 83 or 23 more than the maximum allowed. Regardless of the level of environmental review, the State-mandated maximum number of processing days was exceeded. No projects requiring an environmental impact report were included in the sample.

Only seven of the projects included in the sample, or 37 percent of all projects reviewed, had total processing days of 60 or less, in compliance with State law. The number of processing days for the other twelve projects, or 63 percent of the sample, were 61 days or more. The maximum number of processing days for a single project was 296 days.

⁴ This last provision that approval must be awarded if projects exceed the time limits is only valid if public notice requirements have been met. The applicant can provide their own public notice if the public agency has not done so.

⁵ Variances are generally decided upon by the Zoning Administrator and not the Planning Commission but some projects that come to the Commission require a variance and other approvals such as conditional use.

Department does not track case processing time

The Department does not have a system in place to track processing cycle time on development project applications. The Department's primary repository of information that could be used for case tracking is its automated Parcel Information Database system. However, even though it has the ability to store and report key milestone dates for processing applications, the system is not designed to record several of the key milestone dates needed to determine compliance with the Permit Streamlining Act. Further, dates that are recorded by the system are not consistently entered by all staff and time tracking data is not extracted and summarized in management reports showing actual results.

The Planning Department's Parcel Information Database System records a great deal of information about every parcel in San Francisco including its current owner, zoning, use, building permit history, discretionary permit history, any conditions on the property from previous Commission actions, and other information. Each time an application is processed, information about it is entered onto its parcel record in this system. This includes date of application and date of Planning Commission or Zoning Administrator action on the application. Missing from this information are the date the applications are determined complete and environmental review action dates (e.g., categorical exemption determination, Negative Declaration adoption, EIR certification). Without these dates recorded, compliance with Permit Streamlining Act and California Environmental Quality Act (CEQA) time limits cannot be determined from the system.

The processing time data presented in Exhibit 6.2 above had to be collected from a combination of individual paper case files, special runs from the Parcel Information Database System and a data base maintained by the Major Environmental Analysis division. For 21 categorically exempt cases out of 43 reviewed, or 24 percent of the total, the Department was not able to find a record at all of the environmental review action date.

A second potential source for tracking cycle time for some applications is the Department of Building Inspection's (DBI) Permit Tracking System. Information from this system would only cover cases that are routed to the Planning Department from the Department of Building Inspection (DBI) as part of the building permit application process. However, while the Permit Tracking System has the capability to track Permit Streamlining Act and CEQA compliance, the needed milestone dates are not recorded in that system either.

The Department of Building Inspection's Permit Tracking System captures information for the approximately 3,000 building permit applications that it routes to the Planning Department each year to determine if they are in compliance with the Planning Code and if any discretionary Planning approvals are required such as conditional use permits. For these applications, DBI's Permit Tracking System has the capability of recording more information than the Department's own system including: 1) date the application arrives at the Planning Department; 2) date application assigned to a quadrant team; 3) date work starts on the application by the staff planner, and: 4) date of final Planning Commission action. If all dates are entered, the DBI system can track backlogs and pinpoint where they occurred such as the transfer of the application between DBI and Planning, or the hand-off of the application between Planning

Department supervisor and case planner. Tracking backlogs would be useful management information but this information is not regularly collected and reported from the DBI system. The Planning Department's Parcel Information Database system does not record application arrival and assignment dates so backlogs cannot be tracked from the Department's own system at this time.

Causes of case processing delay

A common complaint among applicants interviewed for this management audit is that staff planners continue to request additional information after their application is in process, often late in the process. Many frequent applicants⁶ reported that this happens to them all the time and that they never can predict what they will be asked to provide or when. These requests often result in processing delays as the applicants then have to assemble new information or documents, well after they have initially submitted their applications.

Staff planners point out, and applicants agree, that the applicants themselves also contribute to processing delays. Staff planners report that it is not unusual for applicants to suspend activity after filing their application or to decide to revise some aspect of their project after processing has begun, thus placing the project on hold, or to take long periods of time to provide additional materials requested by the staff planner.

In interviews with 14 applicants conducted for this audit, more than half of the applicants reported that delays occurred in processing their applications due to additional requests for information by Department staff after their application had been accepted. However, half of the applicants interviewed also reported that they made changes to their project plans after they had submitted their application and that this also caused delays.

While delays appear to occur due to both staff and applicants, the Department does not have a mechanism for tracking the cause of delays or for formally stopping the "clock" on projects when applicants are the cause of delays. As a result, it is difficult for management to determine if the Department is responsible for non-compliance with State time limits or not. State required written agreements to waive the statutory time limits are not prepared by the Department in cases where processing takes longer than the maximum allowed.

Environmental review processing time and compliance with State guidelines

Development project applications that are not categorically exempt from CEQA and are subject to environmental review are also subject to environmental review processing time limits pursuant to the State's CEQA Guidelines⁷ and Chapter 31 of the San Francisco Administrative Code.

⁶ Because most applicants now use hired agents to facilitate processing of their applications, most of the applicants interviewed were not property owners but were agents, or permit expeditors, who regularly work with the Department.

⁷ Title 14, California Code of Regulations, Chapter 3: Guidelines for Implementation of the California Environmental Quality Act

These State guidelines establish time limits for the three main components of environmental review: 1) the Initial Study; 2) Negative Declaration completion; and, 3) Environmental Impact Report completion. These processes and time limits are separate from the time limit and processes of Planning Department review of development project permit applications although the projects go through both processes unless they are categorically exempt.

The CEQA Guidelines time limits are presented in Exhibit 6.3. Projects that are categorically exempt are not included since, by definition, they do not require environmental review.

Exhibit 6.3 Time Limits for Environmental Review

Environmental Review Activity	Maximum # Days	Starting Point
Initial Study of potential environmental effects	30 days	Day application accepted as complete
Completion of Negative Declaration	180 days	Day application accepted as complete
Completion of Environmental Impact Report	1 year	Day application accepted as complete

Source: State of California CEQA Guidelines §15107 and §15108

A review of a sample of 56 projects for which Negative Declarations were issued revealed that the Department generally appears to be taking longer than the maximum allowed by the State's CEQA Guidelines. When measured from project "file date" to environmental review action date, the median number of days in process for those cases was 211, or 31 days more than that allowed by State law. No projects for which environmental impact reports were prepared were included in this random sample of projects.

One of the problems in measuring the number of days of environmental review is that the Department does not have a clear-cut definition or systematic method of recording when project applications are determined to be complete, which is the starting point for all CEQA time limits. For this sample of 56 projects reviewed, the project file date (the date that the environmental review planner logs in the case) was used as the start point rather than the date the application was determined complete. This was used because it is the only date available for all projects from the Department's computerized data bases since date of application completeness determination is not recorded, as discussed above. It is not possible to determine how many of the cases in this sample took a full 30 days to determine application completeness and how many were determined to be complete at the time of submission. In any case, with a median of 211 days, half of the cases in the sample had processing time of more than 211 days so even if they took the full allowable 30 days to determine application completeness, they still exceeded State environmental review processing time limits.

State CEQA Guidelines reference the State Government Code requirement that the completeness of development project applications be determined within 30 days of submission. That is also the starting point for another 30 day cycle during which the Initial Study is to be completed to determine if an environmental impact report will be required for the project. This 30 day cycle is part of the total 180 day time limit for completing Negative Declarations and includes a mandatory public review period. Data on cycle time to complete Initial Studies is not readily available from Department records.

Without a system for clearly identifying and recording application completeness determination dates, the Department is not able to track compliance with the CEQA Guidelines for Initial Studies or completion of Negative Declarations and Environmental Impact Reports. The Major Environmental Analysis division does maintain its own master list of projects in process separate from the Department's Parcel Information Database System but this list does not contain the dates that the applications were determined to be complete either. The division's master list is created on a spreadsheet that allows for entry and computation of dates and total elapsed time but it is not being used to assess compliance with the CEQA Guidelines requirements. In short, neither the Major Environmental Analysis division's master list nor the Department's centralized computer systems enable the Department to determine if it is compliant with State CEQA Guidelines.

Conclusion

The Planning Department is not operating in compliance with several key State laws designed to expedite the development project application review process and to inform applicants of process requirements and timelines, including:

- 1) time limits on determining application completeness;
- 2) notifying applicants in writing if their applications are complete;
- 3) time limits for analysis of and decision making on proposed projects;
- 4) time limits for environmental review; and,
- 5) disclosure to applicants about these time limits and certain aspects of the application review process.

Application forms and materials are confusing and the process for determining application completeness is not clear. A review of a sample of cases found that: determinations of application completeness often exceed the State time limit; case processing and decision-making often exceed the State time limit; environmental review often exceeds the State time limit; and, many of the State required disclosures are not provided to applicants.

The Department does not have systems in place to track compliance with State mandated time limits on case processing. The Department's primary computer system does not record the key dates needed to determine compliance with State time limits or to identify backlogs in application review. The Major Environmental Analysis division keeps its own log of cases but without the key dates needed to track compliance with environmental review time limits. Management reports are not produced documenting actual application processing or environmental review processing time.

Recommendations

Based on the above findings, it is recommended that Planning Department management:

- 6.1 Clarify the process and instruct staff on what qualifies for determining application completeness and the need to comply with the State mandated 30 day time limit;
- 6.2 Revise all Department application forms, printed materials and the web site to include: detailed lists of all information and materials that will be required of applicants, including items that are not mandatory but commonly required for project types most frequently reviewed by the Department;
- 6.3 Revise all Department application forms, printed materials and the web site to state that all applications will be reviewed and their completeness determined within 30 days of submission and to disclose the criteria by which completeness will be determined;
- 6.4 Revise all Department application forms, printed materials and web site to include disclosure of all Permit Streamlining Act and California Environmental Quality Act (CEQA) time limits;
- 6.5 Instruct all staff on time limits and the importance of compliance;
- 6.6 Add necessary data collection ability to the Parcel Information Data Base to capture all key milestone dates needed for compliance with State case processing time limits, including date application submitted, date application determined complete/incomplete, date Initial Study of environmental impacts completed, date of environmental review action, and date of final action on application;
- 6.7 Add necessary data collection ability to the Parcel Information Data Base to capture other key dates in the process to identify backlogs such as date of case assignment to a planner, date work commenced, and others;
- 6.8 Collaborate with the Department of Building Inspection regarding adding fields to collect key milestone dates on the Permit Tracking System to track Permit Streamlining Act compliance, case backlogs and pending applications;
- 6.9 Assign responsibility for accurate and complete data entry by their staffs to all Department neighborhood Planning managers; and,
- 6.10 Begin production of a regular monthly report for the Director showing compliance with Permit Streamlining Act and CEQA requirements, case backlogs and other relevant information to enable management to expedite permit processing to the extent possible.

Costs and Benefits

There would no new direct costs associated with these recommendations. Modifications to the Department's Parcel Information Database System should be able to be accomplished in-house and revisions of forms, brochures and the web site should not result in costs of any significance to the Department. The benefits of the recommendations would include a more clear, well documented process for applicants, improved management oversight of the environmental review and case review processes, management information reports necessary to facilitate changes in processes or staffing to expedite case processing, and improvements in case processing cycle time.



PLANNING & DEVELOPMENT

Current Planning, 2120 Milvia Street, Berkeley, CA 94704
Tel: 510.705.3111 TDD: 510.981.9603 Fax: 510.540.1393 Email: Planning@ci.berkeley.ca.us

USE PERMIT AND VARIANCE CHECKLIST

New Construction and Additions

Address _____

Date _____

The applicant is responsible for the accuracy and completeness of the required information; and any delays in permit processing due to the inadequacy or incompleteness of the information. ❖ The project address, applicant's name, and submission date must be in the upper right hand corner of each sheet. ❖ All materials submitted are the property of the City of Berkeley and are subject to public distribution and review.

The following materials are generally required for all applications unless waived by a Planner:

- ☐ **Application Form:** Describe the project and list the needed permits. The owner's original signature must be provided.¹
- ☐ **Applicant's Statement:** A written summary of the project.
 - Describe proposed construction and use; compare with past and existing uses.
 - Explain project benefits and why it should be approved by the Board.
 - Present the facts that support the findings the applicable Zoning Ordinance sections require for approval of the requested use permits and/or variances.
- ☐ **Fees:** Depends on the project - see current fee schedule.
 - Partial refunds of fees are possible when an application is withdrawn prior to a public hearing.
- ☐ **Zoning Use Questionnaire:** Use for non-residential projects.¹
- ☐ **Tabulation Form:** Summary of numerical information.¹
- ☐ **Environmental Information Form:** Use when environmental review may be required. Such review is required in many circumstances including: when occupancy load is increasing by 30 or more persons, or for construction on a slope $\geq 10\%$ or where ≥ 50 cubic yards of grading is proposed.
- ☐ **Vicinity Map:** To show property in context of the neighborhood.
 - Center subject property in middle of an 8.5" x 11" white paper.
 - Show building outlines, lot lines, and streets; label building addresses, land uses, and Zoning District boundaries.
 - Tracing paper available at counter; submit a photocopy of your original.
 - Indicate scale (may be 1" = 50' or 1" = 100') and north arrow.
- ☐ **Photographs:** Existing buildings, exterior and interior of the project building(s) (interior areas where work is proposed). Provide photographs of all adjacent structures demonstrating their relationships to the proposed structure.
 - Color photographs are acceptable but they will be photocopied. Submittal of 15 copies of color graphics is encouraged.
 - Mount photographs on 8.5" x 11" paper; label each photo with a descriptive identification and date taken.



PLANNING & DEVELOPMENT

Current Planning, 2120 Milvia Street, Berkeley, CA 94704

Tel: 510.705.3111 TDD: 510.981.9603 Fax: 510.540.1393 Email: Planning@ci.berkeley.ca.us

DRAWINGS (applies to all submitted application materials)

- Full Size Plans: Two sets² of diazo (blue line or black line) copies, folded to 9" x 12". Project address, project name, scale statement, a graphic scale bar, north arrow, date for original document and each revision, a legend or key describing the meaning of graphic symbols and notations used in the drawing, must appear on each sheet. Applicant should retain originals.
- Reductions: Five sets of 11" x 17" reductions of the above which have been three hole punched along their short side. A total of 30 copies of this plan set may be required before the public hearing.
- One set of the above onto 8½" x 11" paper. If the plan details at not legible at this size submit each element of the original plan as a separate 8½" x 11" page.

☐ Site Plans: An overhead view of the entire property.

- Site features. Show the following features of the site and surroundings and graphically differentiate proposed from existing features: buildings (building walls at grade), the vertical projection of building features extending beyond the building walls (including: eave, balconies and cantilevers), trash enclosures, parking spaces, driveways, property lines³, retaining walls, fences, streets, curbs, and sidewalks, the edges of buildings on adjoining properties, landscaping and natural features including trees (label the species of all trees with > 4" dia.)*, slope banks, the centerline of creeks (indicate whether open or culverted) and significant land forms.
- Dimension all property lines, buildings, setback, and parking spaces. Label features not otherwise clearly interpreted through the use of standard notations or graphic keys.
- Must be at 1" = 10' or 1" = 8' scale.

* If any trees are Coastal Live Oaks, the "Oak Tree Preservation Analysis" Section (below) shall apply (if you are unsure about the species of a tree, please consult a professional arborist).

☐ Floor Plans: An overhead view of the building interior spaces.

- Label all rooms with the use, dimensions of all spaces. Provide the finished elevation for each floor.
- Provide plans for each floor, mezzanine, basement, and attic level.
- Include and graphically differentiate the existing features, those to be demolished, and proposed walls, doors, windows, stairs, counter, and fixtures.
- Must be at 1" = 4' or 1" = 8' scale.

☐ Elevations: Front, rear, and side view of existing and proposed buildings.

- Include windows, doors, decks, balconies, visible roof-mounted and site mechanical equipment and utility transformers. Indicate exterior finishes and materials.
- Show features located to the sides of the elevations including: exterior walls, fences, landscaping, signs, the location of the property lines, etc.
- Show the adjacent wall and a portion of the roof of adjoining structures sufficient to indicate their height and location. The adjoining structures shall be shown where there is a close proximity to the proposed project, typically the front elevation view will always include these structures.
- Finished floor levels should be indicated.
- Must be at 1" = 4' or 1" = 8' scale.

☐ For Residential Projects *Include on site plan:*

Signatures from the abutting and confronting neighbors within or outside of the City of Berkeley (to be determined by Staff) indicating their awareness of the proposed project and the permit issue and whether they support or object to the project (see attached "Instructions Regarding Neighbors' Signatures"). If they object, please summarize objections. These statements are advisory only and provide Staff with possible issues or conflicts. Neighbors' consent or objections do not determine whether a project will be approved.

Current Planning, 2120 Milvia Street, Berkeley, CA 94704

Tel: 510.705.3111 TDD: 510.981.9603 Fax: 510.540.1393 Email: Planning@ci.berkeley.ca.us



PLANNING & DEVELOPMENT

Current Planning, 2120 Milvia Street, Berkeley, CA 94704
Tel: 510.705.3111 TDD: 510.981.9603 Fax: 510.540.1393 Email: Planning@ci.berkeley.ca.us

Companion Applications: Submit all discretionary City of Berkeley permits necessary for the approval of this project. The following actions are required prior to the approval of a use permit and/or variance:

- ☐ **Design Review:** Exterior building and/or site changes in non-residential districts and for mixed use projects in the R-4 District require concurrent preliminary Design Review (23E.08 C&Z0)
- ☐ **Landmark Preservation Approval:** Alteration of a Designated Landmark requires concurrent Landmarks Commission approval (3.24 200 et seq. BMC)

The following materials may be required:

The following materials may be required by Planning Staff for some applications; for several reasons it can be to your advantage to initially supply an item even when it is not requested. The project planner will, within thirty days of your application filing, advise you if additional materials, including the following items, are required or whether submitted materials need to be corrected or augmented. Secondly, be advised, it is your responsibility to prove a project does not cause detriment, and the following information is often needed to adequately demonstrate a project's effects:

- ☐ **Hazardous Materials Use Questionnaire and Phase I Report:** See Toxics Management Division for more information.
- ☐ **Traffic Analysis Report:** See Traffic Engineer for more information.
- ☐ **Story Poles:** Install a configuration of poles for vertical elements and plastic tape for horizontal elements, that physically and accurately define the envelope (the outline of the structure's mass) of the proposed structure or addition.
 - Hang a measuring tape or similar device from the highest point of the structure to confirm the building's height.
 - Story poles should mark each building corner and ridge (high point of roof), and plastic tape should be used to connect the poles to show ridge lines and eave lines.
 - Install the story poles before the project's public notice is posted and maintain them until the final action is taken and the action's appeal period has lapsed.
 - Story poles are required for any new residential construction and additions when there may be view and/or shadow impacts (e.g. a new second story less than 20 feet from a neighbor's house).
- ☐ **Street Strip Elevation:** A scaled drawing of the proposed structures together with the elevation views of the existing structures on the two properties to either side of the project as seen from the public right-of-way.
- ☐ **Shadow Studies:** On a scaled site plan, show the footprints of shadows cast by the existing and proposed structures two hours after sunrise, at noon, and two hours before sunset for June 21 and December 21.
 - The plan shall show the footprints of buildings on adjoining and confronting properties, and interior courtyards.
 - This study is required for any new residential or commercial construction adjacent to a residential use or as determined necessary by the case planner.



PLANNING & DEVELOPMENT

Current Planning, 2120 Milvia Street, Berkeley, CA 94704

Tel: 510.705.3111 TDD: 510.981.9603 Fax: 510.540.1393 Email: Planning@ci.berkeley.ca.us

- ☐ **Landscaping Plans:** Show planting and irrigation scheme.
 - Show tree location, size, species type and canopy width at maturity.
 - Illustrate all other landscaping including shrubs, bushes, ground cover, and grass areas.
 - All irrigation lines, distributors, and valves should be shown with pipe width, flow rates (g.p.m.), and operation frequency noted.
 - A table of the landscape materials including for each: the symbols and abbreviations used, size at planting, height and breadth at five years, number of plants of the type used and their common and botanical names.
- ☐ **Oak Tree Preservation Analysis**
 - Show all Coastal Live Oaks and note those with a single stem circumference of 18 inches or more, and any multi-stemmed tree with an aggregate circumference of 26 inches or more at a distance of 4 feet up from the ground.
 - Show each tree location with the dripline plotted.
 - Furnish arborist report with recommended measures to ensure tree protection during construction and long-term health maintenance upon building completion.
- ☐ **Topographic survey data:** A map of contour lines covering the entire property showing its existing terrain.
 - This data may be required on any property and is required on property with a slope greater than ten percent.
 - The minimum contour interval is five feet.
 - This information shall be based upon a topographic survey prepared by a registered civil engineer or land surveyor.
- ☐ **Grading Plans:** To show slope, excavation and fill areas.
 - Based upon a topographic survey and show existing and proposed contour lines and building footprints.
 - Include existing vegetation, boulders, creeks, and other natural features.
 - Shade and distinguish areas of cut and fill.
 - Same scale as site plan.
- ☐ **Site Sections:** Scaled drawings of vertical cross sections of the property, proposed and existing structures, special site features, adjoining structures and streets and sidewalks to show the relationship of the proposed structure(s) to the site and surroundings.
 - One or more sections should be taken generally at a right angle to the abutting street, through the main mass of the structure and continue beyond the rear property line and any adjoining structures. Provide other, parallel sections when required to present a complicated structure.
 - A second section should be taken, generally at right angles to the first, which runs through the main mass of the proposed structure and through structures on adjoining properties.
 - It is recommended that the sections include human silhouettes to provide a sense of scale to the drawing.
 - Show and label the lines of the site sections on the site plan.
 - *Required for any structure on a site with a slope greater than 10 percent, when needed to explain complicated structures, and as determined necessary by the case planner.*
- ☐ **Rendered Perspectives:** For new buildings as viewed from the street.
- ☐ **Parking Lot Lighting Study:** A plan showing the results of an illumination analysis, indicating areas of equal illumination (typically isopleths in foot-candles).



PLANNING & DEVELOPMENT

Current Planning, 2120 Milvia Street, Berkeley, CA 94704

Tel: 510.705.3111 TDD: 510.981.9603 Fax: 510.540.1393 Email: Planning@ci.berkeley.ca.us

-
- ☐ Proof of Ownership.
-
- ☐ Site Survey: Performed and stamped by licensed land surveyor or engineer.
-

Notes

g:/curplan/forms/Up-cklst.doc
June 1, 2001

-
1. See applicable form for more information
 2. More sets may be required if other department or consultant review is necessary or for members of the Zoning Adjustments Board.
 3. The City's Property Records Division maintains block maps with lot dimensions, and the Permit Service Center has right-of-way maps which can be used to determine the location of front property lines. However, to verify property line locations, the applicant may need to procure the services of a licensed surveyor.

Current Planning, 2120 Milvia Street, Berkeley, CA 94704

Tel: 510.705.3111 TDD: 510.981.9603 Fax: 510.540.1393 Email: Planning@ci.berkeley.ca.us



PLANNING & DEVELOPMENT

Current Planning, 2120 Milvia Street, Berkeley, CA 94704
Tel: 510.705.3111 TDD: 510.981.9603 Fax: 510.540.1393 Email: Planning@ci.berkeley.ca.us

Abutting and confronting neighboring residents (owners and tenants) must be consulted prior to submission of an application (see back of these instructions to determine abutting and confronting lots).

Early in the design process, applicants should meet with neighbors to present plans and resolve issues of concern. Once issues are resolved, homeowners should then request their neighbors' signatures **on the site plan drawing**, following the instructions below.

The following text and signature box should be included on the site plan:

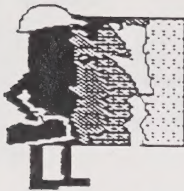
I have reviewed the plans for a *(750 square foot, 24' high residential addition*)* at *(5 Albert Street*)*.

Name (printed)	Signature	Address	Date	Have no objections	Have objections (Please state briefly)

* Example description and address

(See back)

G:\curplan/forms/signatur.doc
June 1, 2001



PLANNING & DEVELOPMENT

Current Planning, 2120 Milvia Street, Berkeley, CA 94704

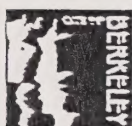
Tel: 510.705.3111 TDD: 510.981.9603 Fax: 510.540.1393 Email: Planning@ci.berkeley.ca.us

EXAMPLE OF ABUTTING AND CONFRONTING LOTS

Confronting Lot	Confronting Lot	Confronting Lot

Street

Abutting Lot	Subject Lot	Abutting Lot
Abutting Lot	Abutting Lot	Abutting Lot

[HOME](#)[ELECTED OFFICIALS](#)[CITY DEPARTMENTS & SERVICES](#)[CALENDAR & LOCAL LINKS](#)[SEARCH](#)[EMAIL](#)

BOARDS & COMMISSIONS

City Clerk, 2180 Milvia Street, Berkeley, CA 94704

(510) 981-6900, TDD: (510) 981-6903, clerk@ci.berkeley.ca.us

Attachment A
Page 8 of 11

[BOARDS & COMMISSIONS](#)[CHARTER](#)[CITY COUNCIL](#)[DOMESTIC PARTNERSHIP](#)[ELECTION INFO](#)[MUNICIPAL CODE AND ZONING ORDINANCE](#)

- > [Commissions](#)
- > [City Clerk](#)
- > [Ballot Measures](#)
- > [BERA](#)
- > [Campaign Info](#)
- > [Candidate Info](#)
- > [City Council](#)
- > [Election Info](#)
- > [Redistricting](#)
- > [Run-Off Elections](#)
- > [Related Links](#)
- > [Downloads](#)

Planning Commission

Agendas and Minutes: [2002](#) | [2001](#) | [2000](#) | [1999](#)

Mission:

Oversees and reviews the planning process and planning issues. Specific types of matters which come before the Planning Commission include revisions to the General Plan, Area Plans, Zoning Ordinance amendments, etc., including EIR and subdivision approvals. Council shall appoint one of its members as liaison.

Meetings:

North Berkeley Senior Center
1901 Hearst Avenue
2nd/4th Wednesday, 7:00 p.m

Secretary:

Andrew Thomas
Planning & Development
(510) 705-8135
E-mail: AThomas@ci.berkeley.ca.us

Enabling Legislation:

B.M.C. 3.28 (1947)

For More Information:

Contact Commission Secretary

Meeting Agendas & Minutes

Agenda & Minutes are presented in both html and pdf formats when available. To view pdf applications, download a free copy of [Adobe Acrobat Reader](#).

Agendas and Minutes: [2002](#) | [2001](#) | [2000](#) | [1999](#)

2002 Agendas and Minutes						
Please refresh your browser for the most up-to-date information.						
Date	Agendas			Minutes		
02/27/02	Agenda:	html	pdf	Minutes:		
02/13/02	Agenda:	html	pdf	Minutes:		
01/23/02	Agenda:	html	pdf	Minutes:	html	pdf
01/09/02	Agenda:	html	pdf	Minutes:	html	pdf

[Text Only Sidebar](#) / [City of Berkeley Home](#) / [Departments](#) / [City Clerk Home](#) / [Boards and Commissions](#) /
[City Charter](#) / [City Council](#) / [BMC](#) / [Domestic Partnership](#) / [Election Info](#)



Office of the City Clerk - Sherry M. Kelly

2180 Milvia Street, Berkeley, California 94704

Telephone (510) 981-6900; TDD (510) 981-6903; Fax (510) 981-6901

Office Hours: Monday - Friday 8 a.m. - 5 p.m.

E-mail: clerk@ci.berkeley.ca.us

[HOME](#)[ELECTED OFFICIALS](#)[CITY DEPARTMENTS & SERVICES](#)[CALENDAR & LOCAL LINKS](#)[SEARCH](#)[E-MAIL](#)

BOARDS & COMMISSIONS

City Clerk, 2180 Milvia Street, Berkeley, CA 94704

(510) 981-6900, TDD: (510) 981-6903, clerk@ci.berkeley.ca.us

Attachment A
Page 10 of 11

[BOARDS & COMMISSIONS](#)
[ELECTION INFO](#)

[CHARTER](#)

[CITY COUNCIL](#)

[DOMESTIC PARTNERSHIP](#)

[MUNICIPAL CODE AND ZONING ORDINANCE](#)

> [Commissions](#)

> [City Clerk](#)

> [Ballot Measures](#)

> [BERA](#)

> [Campaign Info](#)

> [Candidate Info](#)

> [City Council](#)

> [Election Info](#)

> [Redistricting](#)

> [Run-Off Elections](#)

> [Related Links](#)

> [Downloads](#)

Zoning Adjustment Board

Agendas and Minutes: [2002](#) | [2001](#) | [2000](#)

Mission:

Makes findings and recommendations for granting or denying variance and use permits as provided for in the Zoning Ordinance, Neighborhood Preservation Ordinance, and Neighborhood Commercial Preservation Ordinance.

Meetings:

Council Chamber

2134 Martin Luther King, Jr. Way, 2nd Floor
2nd/4th Thursday, 7:00 p.m.

Secretary:

Mark Rhoades

Current Planning

(510) 705-8110

E-mail: MAR2@ci.berkeley.ca.us

Enabling Legislation: 23B.04

For More Information: Contact Commission Secretary

Meeting

Agendas & Minutes

Agenda & Minutes are presented in both html and pdf formats when available. To view pdf applications, download a free copy of [Adobe Acrobat Reader](#).

Agendas and Minutes: [2002](#) | [2001](#) | [2000](#)

2002 Agendas and Minutes						
Please refresh your browser for the most up-to-date information.						
Month	Date	Agendas			Minutes	
February	02/28/02	Agenda:	html	pdf	Minutes:	
	02/14/02	Agenda:	html	pdf	Minutes:	html pdf
January	01/24/02	Agenda:	html	pdf	Minutes:	html pdf
	01/10/02	Agenda:	html	pdf	Minutes:	html pdf

[Text Only Sidebar](#) / [City of Berkeley Home](#) / [Departments](#) / [City Clerk Home](#) / [Boards and Commissions](#) /

[City Charter](#) / [City Council](#) / [MPC](#) / [Domestic Partnership](#) / [Election Info](#)



Office of the City Clerk - Sherry M. Kelly

2180 Milvia Street, Berkeley, California 94704

Telephone (510) 981-6900; TDD (510) 981-6903; Fax (510) 981-6901

Office Hours: Monday - Friday 8 a.m. - 5 p.m.

E-mail: clerk@ci.berkeley.ca.us

7. Planning Staff Turnover and Vacancies

- Turnover for Planner staff in the Planning Department since FY 1997-1998 has increased steadily. The turnover rate in FY 1997-1998 was 9 percent and doubled to 18 percent in FY 2000-2001. From July 2000 through September 2001, 25 Planners in Planner II through Planner V classifications resigned from the Department, or approximately 30 percent of the staff in those classifications. Due to the high turnover, the Department has a correspondingly high number of vacancies. The average number of vacancies in any given month for all positions in calendar year 2001 was 13.67, or approximately 10 percent of the staff.
- Turnover among Planners has resulted from multiple factors, including poor morale due to high workload and lack of management support, lack of career opportunities within the Department, and higher pay and better job opportunities elsewhere.
- Frequent vacancies and hiring of new staff has resulted in insufficient or inexperienced staff performing the work, thus increasing the workload for existing and more experienced staff. Turnover has resulted in insufficient experienced staff to process more complex cases and in backlogs in processing planning development projects applications. While turnover is costly in any organization, it has particular impact in the Planning Department where institutional history plays a key role in interpreting the Planning Code for development project applications.
- While some turnover will always occur, the Planning Department should implement policies to minimize internally caused turnover by improving staff morale, improving communications between planning staff and the Department management and Planning Commission, increasing career opportunities, and promoting a flexible working environment. Such policies should include ongoing morale surveys, new and more frequent communication channels between senior management and Planners, flexible work schedules, and regular study sessions with staff Planners and Commission members.

Turnover, Vacancies, and Hiring of Staff

Turnover among staff Planners in the Planning Department over the past few years has been high. The staff Planner turnover rate in FY 1997-1998 was 9 percent and doubled to 18 percent in FY 2000-2001. As shown in Exhibit 7.2, from July 2000 through September 2001 (a 15-month period), 25 Planners in Planner II through Planner V classifications resigned from the Department, or 30 percent of the staff in those classifications. Due to the high turnover, the Department has a correspondingly high number of vacancies. The average number of vacancies in any given month for all positions in calendar year 2001 was 13.67, or approximately 10 percent of the staff.

Exhibit 7.1
Turnover Rate Among Planners, FY 1997-1998 until FY 2001-2002

	FY 97-98	FY 98-99	FY 99-00	FY 00-01	July 2000 through September 2001 (15 months)
Number of Planner resignations	6	8	11	15	25
Percent of Planner resignations compared to actual Planner staff	9%	12%	14%	18%	30%

Source: Planning Department records based on number of resignations divided by filled positions

Turnover among Planners has resulted from multiple factors, including poor morale due to high workload and lack of management support, lack of career opportunities within the Department, and higher pay and better job opportunities elsewhere. Frequent vacancies and hiring of new staff has resulted in insufficient or inexperienced staff performing the work, thus increasing the workload for existing and more experienced staff. Turnover has resulted in insufficient experienced staff to process more complex cases and in permit application backlogs.

Provisional Employees

The Planning Department has hired many new Planners provisionally. The Department of Human Resources (DHR), which is responsible for conducting civil service exams and establishing lists for entry or promotional positions, has not developed new Planner eligibility lists within the time frames established by the Civil Service Rules.¹ Of the seven Planner classifications, only three had current eligibility lists in calendar year 2001. DHR has not had an eligibility list for Class 5291, Planner III, for two years. The prior eligibility list expired on February 25, 2000, and the new eligibility list for this class was not established until February 2002. According to the Department of Human Resources Merit System director, DHR is unable to establish new eligibility lists within the time frame established by the Civil Service System rules due to inadequate staffing within DHR. Because the City Charter sets a three year time limit for employees to remain in provisional status, DHR establishes eligibility lists as a priority for those classifications with a large number of incumbents who are approaching the three year limit.

During 2001, 23 of the 32 employees in the Planner III classification, or 72 percent, were provisional. Because provisional employees receive similar benefits as permanent employees

¹ The Civil Service Rules require the Human Resources Department to conduct examinations and establish eligibility lists (a) whenever a provisional appointment is made to a permanent position, or (b) prior to expiration of an eligible list where there is a demonstrated need for continuing appointments to the class, except for reasons beyond the Human Resources Director's control (Section 111.3).

under the Administrative Code, including health and retirement benefits, they do not have lesser compensation or benefits than permanent employees. However, provisional status is more uncertain than permanent status because, when the new eligibility list is finally created, an employee who ranks higher on the list can displace the provisional employee incumbent in the position. Currently, Planners who are hired provisionally into Planner I, III, IV and V classifications are unlikely to be displaced. The Office and Professional Employees International Union (OPEIU) Local 21 has agreed that the eligibility lists for these four classifications are subject to the “rule of the list” rather than the “rule of three”. Under the rule of the list, the Department may select employees from the list as a whole, rather than the top three, removing some of the uncertainty.

The Planning Department has also promoted staff Planners provisionally into supervisory Planner IV and Planner V management positions because no permanent eligibility lists exist for these classifications. The Planner IV eligibility list expired in September 2000 and the Planner V eligibility list expired in August 2000. DHR does not currently have a schedule for creating new Planner IV or Planner V lists. Promoting staff provisionally creates the same uncertainty for the promoted employee as hiring new staff provisionally. Once a new eligibility list is established, an applicant with a higher rank on the eligibility list can displace the provisional employee who is incumbent in the position. Additionally, when DHR establishes promotional eligibility lists, candidates are placed on the list based on a set of objective criteria, but when the Planning Department promotes candidates provisionally, the process is more subjective. Staff Planners expressed concern in interviews that promotions were based on subjective factors and not objective qualifications.

Causes and Solutions for Staff Turnover

In focus groups conducted with 66 staff Planners, participants stated that frequent vacancies and hiring of new staff resulted in insufficient or inexperienced staff performing the work, thus increasing the workload for existing and more experienced staff. Respondents to an applicant’s survey stated that staff turnover, resulting in more inexperienced staff, has created problems in application processing. According to Neighborhood Planning managers, turnover has resulted in insufficient experienced staff to process more complex cases and created backlogs in processing planning permit applications.

Focus group participants cited job stress, lack of management support (including Planning Commission support), and lack of career opportunities or rewards for performance as causes for turnover. In FY 2000-2001, one-third of the Planners who resigned from the Planning Department accepted other private and public sector positions offering higher pay. Interviews with several recently separated employees show that poor employee morale in the San Francisco Planning Department as well as higher pay with other employers resulted in their resignation. The City’s Department of Human Resources issued an “Exit Interview Survey” in December 2001 and it can be used by Planning to obtain more direct feedback from separating employees in the future.

New career opportunities

Focus group participants wanted more career opportunities within the Department. The Department has limited opportunities for staff Planners to work in the different divisions of the Department, or to develop more advanced planning or technical skills without promoting into a management position. Although the Department has a simple procedure for announcing vacant Planner positions and allowing Planners to apply for vacant positions, transferring among areas of the Department can be difficult. For example, Planners in Neighborhood Planning are not always able to move into vacant positions in Citywide Policy and Analysis due to short staffing in Neighborhood Planning. Planners in Neighborhood Planning can not advance beyond Planner III positions without moving into team leading or management positions.

The Department should implement policies to increase career opportunities for staff Planners. For instance, the Department could assign Neighborhood Planning staff to special projects other than application processing. A Planner in Neighborhood Planning could work with Citywide Policy and Analysis staff to draft a specific policy, such as the merger of dwelling units amendment or the conditional use appeal procedure. Also, Planners from Citywide Policy and Analysis and Neighborhood Planning could be paired to work on specific issue or geographic related tasks.² Fostering joint work projects between Neighborhood Planning and Citywide Policy and Analysis would help to coordinate long range planning proposals and implementation.

Improved communication between senior management and staff Planners

In the focus groups, staff Planners stated that lack of support from senior management contributed to staff turnover. Lack of support included disrespectful treatment of staff in meetings, insufficient support for staff when application processing problems arise, and inconsistency in advising staff on application processing recommendations. Staff Planners wanted more respectful treatment from senior management in meetings and more consistent advice and feedback regarding application processing. Managers in Neighborhood Planning have conducted a morale survey, including soliciting recommendations for improvements from staff, and are in the process of grouping the recommendations for consideration. According to Neighborhood Planning managers, this is the first time that senior management has been involved in this process. The Citywide Policy and Analysis unit is also attempting to create a more effective structure, including increasing communication between the Planner IV staff and the Chief of Citywide Policy and Analysis, conducting performance assessments of staff within the section, including an assessment of the Chief by the staff, and conducting unit wide staff meetings weekly.

The focus groups identified communication problems between staff Planners and managers as a factor contributing to turnover. In a survey of applicants conducted for this management audit, some respondents said that new or inexperienced staff Planners were not able to make decisions without approval from the Director or Zoning Administrator. Staff recommended that the

² The City of Oakland has developed teams of current and long range planning staff to work on either geographic or issue related tasks.

Director delegate more decision-making to other management staff. Staff also recommended that the Director attend division staff meetings on a regular basis or conduct more frequent department-wide staff meetings, and open a direct channel of communication, such as regular email access, and that the Zoning Administrator increase available drop-in hours.

Many Planning Department employees have never received a performance evaluation. Because the performance evaluation is an important tool for managers to give feedback to staff Planners about their work, management staff should conduct an annual performance evaluation for all staff Planners.

Improved communication with the Planning Commission

Focus group participants stated that a poor working relationship with the Planning Commission harmed morale. According to the Planners, Commission members did not seem to understand the work or scope and expertise of Planners. Planners stated that Commission members seldom called Planners prior to a Commission hearing if they had questions about a case, and staff Planners can be discomfited at Commission hearings when presented with questions or arguments for which they are unprepared.

The Planning Commission should develop an ongoing working relationship with the planning staff. The Planning Commissions in Oakland and San Jose have regular study sessions for staff and Commission members. The Oakland Planning Commission has subcommittees and conducts study sessions in the subcommittees. These informal study sessions creates an informal dialogue between Commission members and Planners about the planning process and policies. In San Jose, the Planning Commission conducts once monthly study sessions for Planning Department staff and Commission members, and once each year, the Commission holds a retreat for Commission members. The Planning Commission should implement regular study sessions for Planning Department staff and Commission members to discuss planning policies and procedures.

Flexible Work Schedules

Focus group participants recommended increased flexibility in work schedules to promote staff retention and reduce turnover. The Memorandum of Understanding (MOU) between the City and OPEIU Local 21 promotes alternative work schedules and telecommuting. The Planning Department has a written policy allowing staff to work a biweekly schedule of nine days/ 80 hours rather than ten days/ 80 hours. Under this schedule, staff do not work on alternate Fridays. Approximately 40 Planning Department employees are currently working the 9/80 schedule. The Department also has a policy to allow flexible work start and end times and is drafting a policy for reduced work schedules. Currently, the Department does not have a policy regarding telecommuting. The Department should implement its draft policy for reduced work schedules and draft a telecommuting policy.

Conclusion

The Planning Department's high turnover rate among staff Planners has resulted in too few and inexperienced staff performing the work, and increased workload for existing and experienced staff. Turnover has resulted in insufficient experienced staff to process more complex cases and in backlogs in processing planning permit applications.

Turnover among Planners has resulted from multiple factors, including poor morale due to high workload and lack of management support, lack of career opportunities within the Department, and higher pay and better job opportunities elsewhere. However, the Department can benefit from use of the City's new Exit Interview Survey for future separations. Frequent vacancies and hiring of new staff has resulted in insufficient or inexperienced staff performing the work, thus increasing the workload for existing and more experienced staff.

The Planning Department should implement policies to improve communication between planning staff and the Department management and Planning Commission, increase career opportunities, and promote a flexible working environment to improve staff morale. Such policies should include ongoing morale surveys, new and more frequent communication channels between senior management and Planners, flexible work schedules, and regular study sessions with staff Planners and Commission members.

Recommendations

Based on the above findings, it is recommended that the Director of the Planning Department:

- 7.1 Require Department managers to conduct annual performance evaluations for all staff Planners to increase the level of communication between management and staff and to provide feedback to staff on job performance;
- 7.2 Conduct annual morale surveys to identify workload problems, communication failures between staff and Department management or the Planning Commission, and other factors contributing to poor staff morale. The results of the morale survey should be presented to the Planning Commission and used as a factor in an annual evaluation of the performance of the Department Director;
- 7.3 Increase work opportunities for staff Planners by assigning Neighborhood Planning staff to special projects other than application processing and establishing teams from Citywide Policy and Analysis and Neighborhood Planning to work on specific issues or geographic related tasks;
- 7.4 Improve communication between staff and senior management, by delegating more decision making responsibilities to Planner V staff, regularly attending division staff meetings or holding regular Department-wide staff meetings, increasing Zoning Administrator drop-in hours, and setting up communication channels, such as regular email access;

- 7.5 Assist new and inexperienced staff in Neighborhood Planning by assigning mentors to junior staff and increasing team leader participation in project reviews;
- 7.6 Adopt and implement the Department's draft policy for reduced work schedules and draft a telecommuting policy; and,
- 7.7 Ensure that in the future, exit interview results for all separating employees are captured through use of the City's new Exit Interview Survey and regularly reported to management with recommendations for any necessary remediation.

It is recommend that the Planning Commission:

- 7.8 Implement regular study sessions for Planning Department staff and Commission members to discuss planning policies and procedures.

Costs and Benefits

The above recommendations would not result in increased direct costs. Because these recommendations are intended to improve staff morale and reduce turnover, successful implementation would result in reduced costs from decreased turnover, job vacancies, and hiring and training of new staff.

8. Efficiency and Effectiveness of Public Information Center (PIC)

- The Department's Public Information Center (PIC) is one of the primary points for staff planners to provide information to the public. However, (a) service and information are unevenly dispensed, (b) policies and procedures for service provision at the PIC are not up to date, (c) physical arrangements and signage at the PIC are inadequate and sometimes confusing for the public, (d) accurate and useful data regarding public use of the PIC are not collected, (e) available technology applications are not used at the PIC, and (f) staff assignments to and rotation at the PIC are not made uniformly. Taken together, all of these symptoms reflect an operation that--while perhaps improved over historical service-- remains inefficient and does not always evidence necessary quality assurance measures in providing information.
- Since the Budget Analyst's 1988 audit of the Planning Department, it has implemented the two recommendations made at that time for the Planning Commission; (set specific objectives for providing information services and establish hours of operation), and four of the six recommendations for the Director; full-time planners allocated to PIC, handout materials review, Information Manager reporting to Director, and enhance status of Information Office.

Public Information Center

The Public Information Center (PIC), located on the ground floor to the immediate right upon entering the 1660 Mission Street facility, is the Planning Department's front line for face-to-face public interaction and primary delivery of basic planning services. The Work Program budget for this unit for Fiscal Year 2001-2002 is \$1,027,000, covering 7.5 FTEs. In the 1988 management audit of the Planning Department, a total of eight recommendations were made by the Budget Analyst for the Planning Commission and the Director. The two recommendations for the Commission were accomplished and four of the six measures for the Director completed. The recommendations and their current status are shown in Exhibit 8.1, below.

Exhibit 8.1
Status of Prior Audit Recommendations
(December 1988)

Planning Commission	Status
• Set specific objectives for providing information services to the public and monitor progress on these objectives.	Completed and now shown in the annual Work Program, but formal monitoring needed.
• Establish 8:00 a.m. – 5:00 p.m. as the Information Counter's hours of operation.	Completed; changed from 10 to Noon & 1 to 5.
Director of Planning	
• Reallocate a minimum of two existing, highly qualified, full-time planners to the Information Office.	Completed and now w/ a core staff of five (see text, below)
• Require all Departmental planners, including the Assistant Directors, to provide public information counter service for two to three hours each week.	Staff services shared by all units in shift distribution, but no requirement for all planners.
• Have all written handout materials, including all of the various applications, reviewed for currency and legibility.	Review of materials an ongoing activity, but no time priority for revisions.
• Provide for the Information Manager to report directly to the Director for a period of one year.	Completed and Manager now reports to Director permanently.
• Rotate Information Office staff to regular staff assignments on a phased basis.	Not done.
• Enhance the status of the Information Office and assignment thereto in every way possible.	Ongoing

The PIC's core staff of five Planners (two Planner IVs, two Planner IIIs, and one Planner I), along with the numerous Planners who rotate from the Neighborhood Planning and Code Enforcement, Citywide Policy and Analysis, and Major Environmental Analysis units are scheduled to provide nine hours of service daily to the public live and by telephone on four shifts of 2 hours and 15 minutes each from 8 A.M., through 5 P.M., including through the lunch hour. A student Intern currently augments the core staff on a reduced work schedule. Scheduling is arranged to provide from three to four staff members per shift. Distribution of the resulting 80 weekly work shifts among the different organizational units is shown in Exhibit 8.2, below.

Exhibit 8.2

PUBLIC INFORMATION CENTER WORK SHIFTS BY UNIT

NUMBER OF WORK SHIFTS	
UNIT	<u>WEEKLY</u>
PIC Core Staffing Group	28
Neighborhood Planning (+TAC)	42
Major Environmental Analysis	6
Citywide Planning	4
Totals	<u>80</u>

A review of actual staff coverage and completed work schedules, reflecting approved vacation and sick leave, confirmed recently improved staffing levels at the PIC –sometimes exceeding the schedule. The distribution of shifts and level of staff coverage at the PIC as observed over the course of this audit appear reasonable and appropriate for the volume of PIC activity.

Staff meetings of the core PIC staff are held each Monday at approximately 10:30 A.M.¹ Included among the types of items typically addressed at these meetings are the following:

- scheduling
- counter demands
- application processing procedures
- potential problems with specific cases and issues,²
- proposed and pending legislation
- consistency of interpretations.

In addition to providing services directly to the public, the PIC's core staff members have other responsibilities that include plan review, preparing Letters of Determination, forwarding cases to the Zoning Administrator for clarification, assisting with Web Site development and maintenance, and working on a broad range of projects as assigned.

Signage at the PIC is confusing and generally inadequate. Customers either go directly to the counter if no one else is there, stand in line when one is formed, sit in the waiting area when the counter is full and no line is formed, or as it happens more often when the counter is busy, go to the adjacent Department of Building Inspection (DBI) counter only to be referred back to Planning –and usually after waiting there. The two most confusing aspects of the signage are:

¹ Unfortunately, the Information Services Chief who manages this unit and the Office of Analysis and Information Systems has a standing meeting at 11 A.M., with other Planner Vs and is not always able to stay for the full duration of the PIC staff meeting.

² An example involves outdoor commercial advertising (billboards). On the ballot in the March 2002 primary election, Proposition G prohibits additional signs and regulates relocation of existing signs. This measure was viewed by many as one that will restrict the incomes of certain property owners. As a consequence, there was a rush of applications to obtain approval for signs before the election. [The measure passed by a margin of 109K votes (79%) to 29K votes (21%).]

- (a) the continuous header above the counter is numbered sequentially from right to left, and above the Planning Department section at the far right end is the number “1,” causing –if not directing—many people improperly to go there, and
- (b) between the Planning and DBI counter sections is a numerical ticket dispensing machine and an associated electronic message board that indicates the number of the person being served; however, nothing is there to clarify that this system applies only to DBI customers and not to Planning customers.

Another sign at the PIC specifies a 15-minute time limit on staff service, but it does not appear to be enforced –even when the counter is busy and other customers are waiting. Overall signage can and should be improved, including the elimination of the time-limit sign.

The PIC currently accommodates three customers simultaneously, two standing and one seated. Some chairs are available in the waiting area located several feet away from the service counter.³ PIC staff services are facilitated by three personal computers at the counter, three in the non-public rear workstations that are also used by the staff, and one computer is available in the waiting area for use by the public. This “Public PC” is made possible by a grant from the Friends of Planning. All of the equipment, excepting the Public PC, has access to the Department’s Parcel Information Database and the Department of Building Inspection’s Permit Tracking System. The Public PC cannot access the Permit Tracking System. The PIC will be physically modified –expanded—to accommodate an additional customer-service station at an unspecified future date. The expansion will include the placement of two additional computers for use by staff, bringing the staff total to eight (four at the counter and four in the rear workstations) along with the Public PC. Signage improvements could be made at this time if they are not already completed.

A revolving rack of various application forms and information handouts stands adjacent to the PIC entrance area. None of the bins on this rack was labeled, so it was necessary to read a portion of the different documents in the bins to understand specifically what they were. There was, of course, no way of knowing what is normally stocked in any of the empty bins. On the date of one field visit, 5 of the 16 total bins (31 percent) were empty. These bins should be labeled and stocked at all times.

Except for persons who have scheduled an appointment with staff at the principal offices on the fourth and fifth floors, project proponents, representatives, residents and the general public typically come to the PIC for information and assistance on the full spectrum of planning, zoning and development matters in San Francisco.⁴ Actual approvals can be authorized over the counter for the very limited number of planning cases that are exempt from requirements of the California Environmental Quality Act, that do not require

³ During our inspection of the PIC, one of the waiting-area chairs was in ill repair and needed to be repaired or removed as it presented a hazard to the waiting public and was unsightly.

⁴ This does not include matters under the jurisdiction of the City’s Redevelopment Agency, Port, Transportation Authority, etc.

notification of adjacent property owners, and for which there are no Block Book Notations on file with the Department.

A major generator of activity for PIC as well as other planning staff is the filing, monitoring and notification process associated with Block Book Notations (BBN). Block Book Notations are made by the Department upon request by any person or organization upon the payment of a fee.⁵ Such filing covers a period of one year and it prevents approval of any development application on the affected property within 10 days of the notification date. BBNs are maintained as a separate file in the Parcel Information module of the Department's automated database. BBNs are on file currently for 84 separate filers, including organizations, with 93 notations that cover 302 blocks and 8,623 parcels in the City. Most of the Block Book Notation filers are individuals; however, the greatest impact derives from organizations. Within the universe of filed BBNs are those for 16 different organizations (only 19 percent of the total), primarily homeowner associations, that have paid \$2,531 in fees for notations that cover 208 blocks (69 percent of all notated blocks), and 7,539 parcels (87 percent of all notated parcels). Checking on filed BBNs and providing the required notifications represent just two of the myriad tasks performed routinely by staff assigned to the PIC. However, BBN-related activity is seen as second in volume and labor intensity only to that required for Discretionary Review applications.

During this management audit, the general flow of customers and manner in which service was provided by Department staff was observed over several days. In addition, we noted actual numbers of visitors, phone calls and Public PC usage on a specific day. Over three hours of one specific site observation, the following service activity counts were noted:

Exhibit 8.3
PIC Service Activity Counts
Over a Three-Hour Period

	Totals	Avg. Per Hour
Persons at Counter:	24	8
Telephone Service:	15	5
Public Computer:	<u>6</u>	<u>2</u>
Totals	45	15

Source: Audit Observation, February 2002

⁵ A project notification is given to the individual or organization requesting notification of project application when the following fee is paid: \$25 per annum for the first address or first Assessor's Block, and \$10 per annum for addresses in each new Assessor's Block thereafter. This matter is covered in Section 351-Miscellaneous Services, of the San Francisco Planning Code.

If the total service activity count of 15 combined customers per hour is assumed to be representative over a 9-hour work day, this would produce 135 units of service daily.⁶ For comparison, we examined the service activity recorded by the Department for October through January 2002. Tally sheets were maintained by the PIC staff for telephone calls and counter visits only, covering the above-referenced four months (no attempt was made to log PIC utilization prior to that time). These tally sheets do not accurately reflect the true service volume of the PIC because not all inquiries and calls are logged during times of high service activity⁷. Nevertheless, the tally sheets are currently in use and the information obtained from the audit sample revealed the following (please refer to Exhibit 8.4, below, for details):

- over a period of 69 business days in the sample, a total of 6,544 telephone calls and 5,409 drop-ins was logged for a total of 11,953 units of service;
- the average number of total service units was 173 per day, of which 95 were telephone and 78 were drop-ins.

Exhibit 8.4 Daily and Monthly Totals of Service Activity at Public Information Center – Four Selected Months

Totals By Day					
Day	Days in Sample	Phone Totals	Drop-In Tot.	Daily Totals	Avg./Day
Monday	12	1,296	1,085	2,381	198.42
Tuesday	13	1,228	1,163	2,391	183.92
Wednesday	15	1,256	994	2,250	150.00
Thursday	15	1,409	1,153	2,562	170.80
Friday	14	1,355	1,014	2,369	169.21
Total	69	6,544	5,409	11,953	173.23
Totals By Month					
Month	Sample Days/Mo.	Phone Totals	Drop-In Tot.	Month Totals	Totals/Day
January	15	897	583	1,480	98.67
December	20	1,576	1,305	2,881	144.05
November	19	1,811	1,486	3,297	173.53
October	15	2,260	2,035	4,295	286.33
	69	6,544	5,409	11,953	173.23
Medians:					
	Monthly	Daily	Averages:	Monthly	Daily
Phone	1,694	1,296	Phone	1,636	1,309
Drop-Ins	1,396	1,085	Drop-Ins	1,352	1,082
Total	3,089	2,381	Total	2,988	2,391

⁶ This is not an unreasonable assumption given that our analysis showed service activity spread almost evenly across the four work shifts (24% from 8 to 10:15, 27% from 10:15 to 12:30, 25% from 12:30 to 2:45, and 24% from 2:45 to 5).

⁷ This was readily apparent during one afternoon of field observation in which the telephones were occupied continuously for over one hour and there were at least 15 different customers at the counter. We checked the tally sheets before and after this rush, but the logged numbers were unchanged.

The audit field counts included all activity at the PIC, but over an extremely limited time period. Thus, the imputed 135 daily service units becomes 117 for a more direct comparison with the 173 average derived from the PIC data.⁸ Unfortunately, these numbers are of limited significance in light of the fact that they do not indicate any data that might prove useful for improving service, generally, and in structuring a PIC-specific, service-delivery training program. The use of the current daily tally sheet should be discontinued and a more relevant and sensitive instrument employed on a selective basis to obtain the best service data possible. Exhibit 8.5 below provides examples of what is not in the current tally sheet and what should be in the type of instrument suggested.

Exhibit 8.5

Examples of Information that, if Captured, Would Provide the Department with Data More Useful for Improving Customer Service at the Public Information Center (PIC)

1. Whether or not service call was based on a prior *reservation*.
2. *Type of customer*, e.g., owner, representative, contractor, architect, other.
3. *Type of service*, e.g., prospective or real time application filed, zoning and development potential inquiry, response to notification of pending action, inquiry re procedures, picked up forms, etc.
4. *Materials provided*, both free and purchased.
5. Where applicable, the *nature, type and size of project*, i.e., commercial, industrial, residential and within reasonable ranges of size and unit parameters.
6. *Elapsed time* for service.
7. *Number of users of Public PC* (some not necessarily requiring staff).
8. *Customer satisfaction survey*, including request for recommendations (card or single sheet that can be completed easily).

This type of information is important to the Department in two crucial areas: (1) it provides a level of specificity to facilitate design of training programs for PIC-assigned planners, (2) it helps in documenting the cost of various services. Thus, the specific implementation method of the recommendation for this item is tied to other components of the management audit, such as fee recovery, and reflects that linkage.

⁸ Tally sheets do not include use of the Public Computer, noted by the audit team at the rate of two visits per hour. Over nine hours this is 18 service units per day. 135 minus 18 = 117.

Observations

The management audit team also made the following observations during its examination of the PIC operation:

- The treatment of Departmental materials at the PIC is inconsistent in that some documents contain explicit language of enabling legislation regarding sale of the documents while other documents are silent in this regard and are given away to customers at no charge.⁹ If more information pertaining to the Department and its development regulation services were made available through its web site, this would become less of a problem.
- There does not appear to be a formal mechanism or procedure to ensure quality control of responses beyond the periodic PIC meetings involving all PIC staff, the Monday staff meetings, and the Friday morning drop-in “consistency” meetings that involve only PIC’s five core staff members. A written procedures manual for the PIC does exist; however, it is so outdated that it is never used by the staff.
- On one day, we observed staffing of the two afternoon shifts that included five staff members working the counter and phones, and three in the non-public work areas behind the counter for a total of eight staff members on each shift (previously noted from our review of completed work shifts). This may be too high an allocation of staff over an extended period.
- The three telephone cords in the PIC public area prove to be somewhat disruptive and an impediment to the flow of staff traffic, especially during periods of high service activity levels. These phones should be shifted to the non-public area and headsets considered for use by the dedicated PIC core staff when some services can only be provided in the public area (such as access to the Sanburn maps).
- Senior staff, both PIC and rotation, seemed relatively comfortable and authoritative in providing information both live and over the telephone, while the interns and junior staff almost always seemed to check with senior staff, appropriately, before giving out final answers.
- Petty cash is turned over to the Department’s administrative staff daily and activity is recorded on the petty cash transaction slip. However, there are no written procedures pertaining to the handling of funds at the PIC.

⁹ Examples of both include: Westwood Park Association Residential Guidelines, PC Res. No. 13521(5.6.93), no charge; Miraloma Park Residential Guidelines, PC Res. No. 14903 (10.21.99), no charge; Cow Hollow Neighborhood Design Guidelines, PC Res. No. 16147 (4.26.01), available for purchase.

Customers' Views

The audit team interviewed one "customer" who attempted to use the Public PC, but who refused assistance from the planning staff because he didn't want them to know the particulars of his situation.¹⁰ Instead, he was helped by a different customer at the computer who gave him information on the Planning Department's appeal process, forms and meeting schedule, and who located and printed out from the Department's parcel information system details of the property at the customer's address. He was satisfied with the information he obtained and was impressed with the system, even though he did not use it directly. It is unclear what he would have done or what his satisfaction level would have been were it not for the availability of another knowledgeable customer to assist him.

The audit team interviewed another customer who was a representative from a wireless-industry firm in San Ramon. The company currently has 30 sites in San Francisco with transmission facilities and is now applying for an additional four sites (a conditional use permit application is in review and the assigned planner has requested more detailed information). This customer used the Public PC to find among several previously identified buildings those located in the NC2 Zoning District. The worker stated that the Public PC was a "nice tool" and the fastest means to locate lot and block information when provided only with an address.

A less positive experience at the PIC occurred when a member of the management audit team approached the counter for some information. He waited approximately 12 minutes during which time no staff member acknowledged his presence or told him that they would help him when they were done with their present activity. One staff member was talking to a customer at the counter and one was on the phone. Given this, the auditor was prepared to wait but as time went on, a simple glance or nod of the head would have signaled that help would be forthcoming. One staff member completed his telephone call and walked right past the auditor heading to the back room, saying nothing. At that point, the auditor stopped him and asked if he could get some assistance. The staff person told him that he could not help him as he was heading to the back room without any explanation of what that meant or why it precluded providing assistance. While the auditor was waiting, there were others sitting in the chairs in front of the counter and it was very unclear if they were "in line" in front of the auditor or simply sitting there waiting to see someone at some other counter. No oral or written explanation of the proper way to access staff was provided, other than a sign saying help would be limited to 15 minutes. If the auditor had not stopped a staff person and asked for service, it is not clear how long he would have had to wait in silence for service. Overall, the experience was very unpleasant and frustrating, all of which could have been easily averted with some very simple customer service. Waiting in line when there is an obvious reason is acceptable, but being ignored for extended periods of time even after the point when staff appears to be available is very frustrating.

¹⁰ This gentleman was a tenant facing eviction who wanted information on the specific property in which he had lived for the past 17 years. He knew that if his residence was a legal unit, he lived there more than 10 years and he was older than 60 that eviction was not allowed under local regulations. He did not know how to use the Public PC and had no previous experience with the Planning Department.

While this is an obviously limited sample, it does include both novice and experienced customers with varying service needs and varying experiences, not all satisfactory. The visitor who used the Public PC did not have direct experience with staff but, on the other hand, a Departmental tool was available and it proved to be the source of the information he was seeking.

Miscellaneous Items

Four additional items surfaced during the examination with input coming equally from PIC and non-PIC staff members.

- A critical issue at the PIC is that the Planning Code is very convoluted; it is not readily understandable by anyone –either staff or members of the public. A prior project to make the Code understandable was abandoned some time ago and not revived.
- Another issue of note is that some planners view the PIC as an assignment below their stature –a non-prestigious assignment often made punitively.
- Some staff members are fearful of being assigned to the PIC because the public is far too frequently “in-your-face,” beyond what seems appropriate for the professional level of service typically sought and provided.
- On-line, interactive access to the major regulations, guidelines, applications, fee calculations, and real-time project status information is seen as a major way to provide expanded public access while reducing the level of service demand at the PIC.¹¹ This should be given the highest priority for the information systems section.

The audit team frequently heard the first of these issues from a variety of sources and, accordingly, believes the “simplification project” should be revisited. The team found nothing to corroborate the second item. For the third item, occasional irregular behavior by customers comes under the category of occupational hazard for which there are numerous training courses available to assist staff members cope more effectively. The last of these issues involves a different organizational unit within the Department that is dependent to a large extent on another City department to implement any applications involving the Internet. The item must be placed on the agenda for senior management to prioritize among other competing information systems demands. It is not something that the PIC can control.

¹¹ Currently, the Planning Code is available on line.

Other Jurisdictions

Selected members of the PIC core staff participated in a survey of other jurisdictions to ascertain how the public information function is handled by other planning departments and what lessons might be learned for applicability in San Francisco. The jurisdictions included Los Angeles, Oakland, San Diego and San Jose. Costs associated with the Los Angeles and San Diego visits were borne by the Friends of Planning. Recommendations under consideration by the PIC staff based on these visits are listed in the table below.

Exhibit 8.6 Summary of Selected PIC Recommendations Based on Other Jurisdictions

Customer Service Improvements w/ DBI • install Q-matic system¹² • install automated scheduling of inspections • coordinated handouts from both departments • one-stop style counter service	Physical Redesign Goals • increase counter space for Planning & DBI, w/ additional stations • comfortable seated stations • clear delineation of different staff areas • layout space for plans • relocate telephones
Planning Information Counter • place permit tracking, zoning maps, parcel information, fee calculations & major projects on line • add another public computer • provide a detailed Procedures Manual for PIC services	Public Access Improvements • expand public computer programs and make more user friendly • install FAXback Fax-on-Demand © programs • clear handouts that explain standards • environmental documents on line

The two issues of significance in this area include (1) the PIC staff are fully aware of the broad range of needed service improvements, and (2) rather than reinvent the wheel, staff examined models of public information and access in other jurisdictions. An overall improvement package for the PIC seems to be taking shape, with only the need for resources and management authorization to proceed.

PIC Feedback from Focus Groups

The Planning Information Center is viewed by some Department staff who participated in focus groups conducted for this audit as being unprofessional and as having interns assigned to work there who are not given sufficient instruction. They also believe that responses to the public from the PIC are inconsistent, and major tools and equipment at the PIC are of

¹² This is an electronic ticketing and noticing system to prevent long queues while enabling customers to know when it is their turn for service.

poor quality. To remedy these conditions, participants in the focus groups suggested that there should be more equitable staffing by the different organizational units and that no assignment should be made to the PIC until employees are properly trained. Additionally, they strongly urged updating the handouts, completely overhauling the PIC operation, making more planning information available on the web site, and revisiting the use of interns on the PIC at all or requiring a certain *minimum* of training before interns are allowed to work there.

Conclusion

The PIC is an essential part of the Department's operation and while several discrepancies and inadequacies exist that prevent the PIC from realizing its full potential to provide an even higher level of professional planning services, including:

- Signage is inadequate at best and confusing at its worst in the PIC. It appears, however, that signs and other aesthetic aspects of the PIC could be easily and inexpensively improved. Indeed, some improvements are planned for an unspecified date and funding is to be provided by Friends of Planning, an external not-for-profit organization dedicated to providing resources to the Department.
- Other planned physical modifications should be accelerated, including furniture, telephone equipment and labeled information bins.
- Scheduling of staff for the PIC appears to be improving with the current level being well above the previous three staff member per shift.
- Data collection on service activity is inadequate and should be revised.
- Greater emphasis is needed on staff training and quality control to ensure consistency of service provision and information accuracy.
- PIC policy and procedures are outdated and not used. The Department's information system capabilities related to the PIC are underdeveloped and if corrected, could reduce some of the service demands now placed on the PIC staff.
- Reminders to staff are needed to treat people courteously and communicate to them when they will be helped when there are back-ups at the Counter.

Some of the suggested remedies can be implemented right away and combined with other long-term fixes to render the PIC an important service model for the public as well as a rewarding part of the professional development experience for staff. Given the nature and volume of service activity at the PIC, and in the absence of any substantive public outcry, this unit does appear to represent the Department adequately.

Recommendations

Based on the above findings, it is recommended that the Planning Director:

- 8.1 Accelerate the physical improvements to the PIC that expand the service area, revise signage, eliminate the 15-minute time limit on staff services (sign), install improved seating, and move telephones;
- 8.2 Employ a revised tally sheet to ensure useful and accurate data are collected, including:
 - (a) A more detailed data collection process should be accomplished during a two-week “ratings period” in the spring, summer, fall and winter of each year;
 - (b) Data should be maintained on a rolling three-year basis. That is, the results should be averaged over a three-year period with annual updates, adding the most recent year and deleting the oldest;
 - (c) The design of the modified tally sheet should accommodate input from planners in all organizational units to document their project activity as well as interaction with the public during the “ratings period.” This will augment the time reporting system;
 - (d) The modified tally sheet should reflect streamlining to accommodate checklists for ease of planner use and input into the Department’s automated information system; and
 - (e) Managers should be expected to provide very close scrutiny and supervision as well as real-time approval over the completion of tally sheets and timesheets during this period. The process should be designed and implemented as a self-auditing one with the source documentation maintained in a separate, secured place in the Finance Unit.¹³
- 8.3 Emphasize the importance of PIC training for staff and see that service data are used to develop targeted instruction;
- 8.4 Encourage reservations for persons wishing to access planning services at the PIC;
- 8.5 Consider reviving the internal Planning Code Simplification Project to determine what resources are needed for its completion and then schedule if practicable;

¹³ Finance is most appropriate for this placement because (a) the documentation on planners should not be in the custody of planners, (b) the data are integral to the fee recovery process, and (c) this location provides more direct access for management review.

- 8.6 Update, then implement a streamlined policy and procedures manual for the PIC including discussion of basic customer service and the importance of communicating to customers that help will be forthcoming when there are backlogs at the Counter;
- 8.7 Develop an assignment and rotation system that ensures balanced staffing for the PIC from all organizational units and enables employees who have expressed a preference for the PIC to be assigned beyond their scheduled shifts;
- 8.8 With assistance from the Department's Chief Financial Officer, prepare and implement written procedures for handling cash at the PIC;
- 8.9 Designate a set number of hours per week for assigned staff to work exclusively on updating all handout materials; and
- 8.10 Vigorously encourage and support the prioritization of on-line computer applications as a means to provide accurate, consistent and timely information to users of the Department's services.

Costs and Benefits

Costs to the Department for expansion and improvement of the Public Information Center cannot be accurately determined at this time, in part because of the potential funding from the Friends of Planning, a not-for-profit organization dedicated to providing resources to the Department. Similarly, implementing some of the information systems solutions is already budgeted –these item are more a matter of timing than of funding. Other proposed recommendations are actually net no-cost methods that replace existing practice. Overall benefits include more effective and consistent service delivery, and improved employee morale.

9. Organization and Management Structure

- Besides the Director and the Zoning Administrator, the Planning Department's management team is comprised of six Planner Vs, one Manager of Finance and Administration, and the Planning Commission Secretary. The Planner Vs oversee 119 of the Department's 147 authorized full-time equivalents. The Manager of Finance and Administration oversees eight and the Planning Commission Secretary oversees five administrative positions.
- Responsibilities are not equally distributed between the six Planner V's. Three share management responsibility for all Neighborhood Planning functions including processing development applications, code enforcement, building permit review, and the landmarks process; one is responsible for long range planning, one is responsible for environmental review and the sixth Planner V is responsible for information systems and the Public Information Center. Given the lower number of functions and staff positions in the Information Services/Public Information Center unit compared to the other units, management of this unit by a Planner V position at an annual salary and benefits cost of \$132,328 at the maximum step is not warranted or appropriate.
- The Department's 21 administrative positions are now split between three managers, one of whom is also Secretary to the Planning Commission. Consolidation of all administrative functions under a single manager would result in more efficient operations and would also allow the Department to streamline its management structure by deleting one manager position through attrition and reduce its management costs by approximately \$132,328 per year in salaries and benefits. The number of reporting positions under a consolidated administrative structure would be appropriate for a position at the level of the Manager of Finance and Administration.
- The number of supervisors per staff planner in the Major Environmental Analysis Unit is 3.2 compared to a median of one supervisor for every 6.5 planners for the rest of the Department. By applying the 6.5 median supervisory ratio to the Major Environmental Analysis unit, the number of supervisors could be reduced by three, by reclassifying downward three Planner IV positions to three Planner III positions, reducing salary and benefits costs by approximately \$52,461 per year.

The Department's current management structure is comprised of the following positions:

- one Director
- one Zoning Administrator/Deputy Director
- six Planner Vs
- one Chief of Administration
- one Planning Commission Secretary/Chief of Operations¹

¹ This position is also Secretary to the Planning Commission

Together, these management positions oversee all Department functions and staff. The distribution of functions and staff are shown on the organization chart on the following page.

An assessment of each manager's functions and number of reporting employees shows an unequal distribution, with managers at comparable pay levels assigned varying levels of responsibility. Exhibit 9.1 shows the salaries, functions and number of reporting employees for each manager based on the Department's staffing and organization chart provided to the auditors during the audit.

Exhibit 9.1 Comparison of Manager Salaries, Positions Reporting and Functions Planning Department

Classification	Salary	# Reporting Positions	Functions:
Zoning Administrator	\$ 113,291	65	Variances, Interpretations, Neighborhood Planning
Planner V	\$ 105,862	23.5	Northeast Neighborhood Planning, Code Enforcement, Tactical Team
Planner V	\$ 105,862	18	Northwest Neighborhood Planning, Preservation
Planner V	\$ 105,862	19.5	Southeast & Southwest Neighborhood Planning.
Planner V	\$ 105,862	21	Citywide Policy & Analysis (long-range)
Planner V	\$ 105,862	21	Environmental Review
Planner V	\$ 105,862	16	Information Services, Planning Information Center
Operations Manager	\$ 105,340	5	
Manager, Finance & Admin	\$ 97,927	8	Finance, personnel, contract admin.
Median, excluding Zoning Administrator	\$104,805	19	
Median, Planner Vs	\$105,862	20	

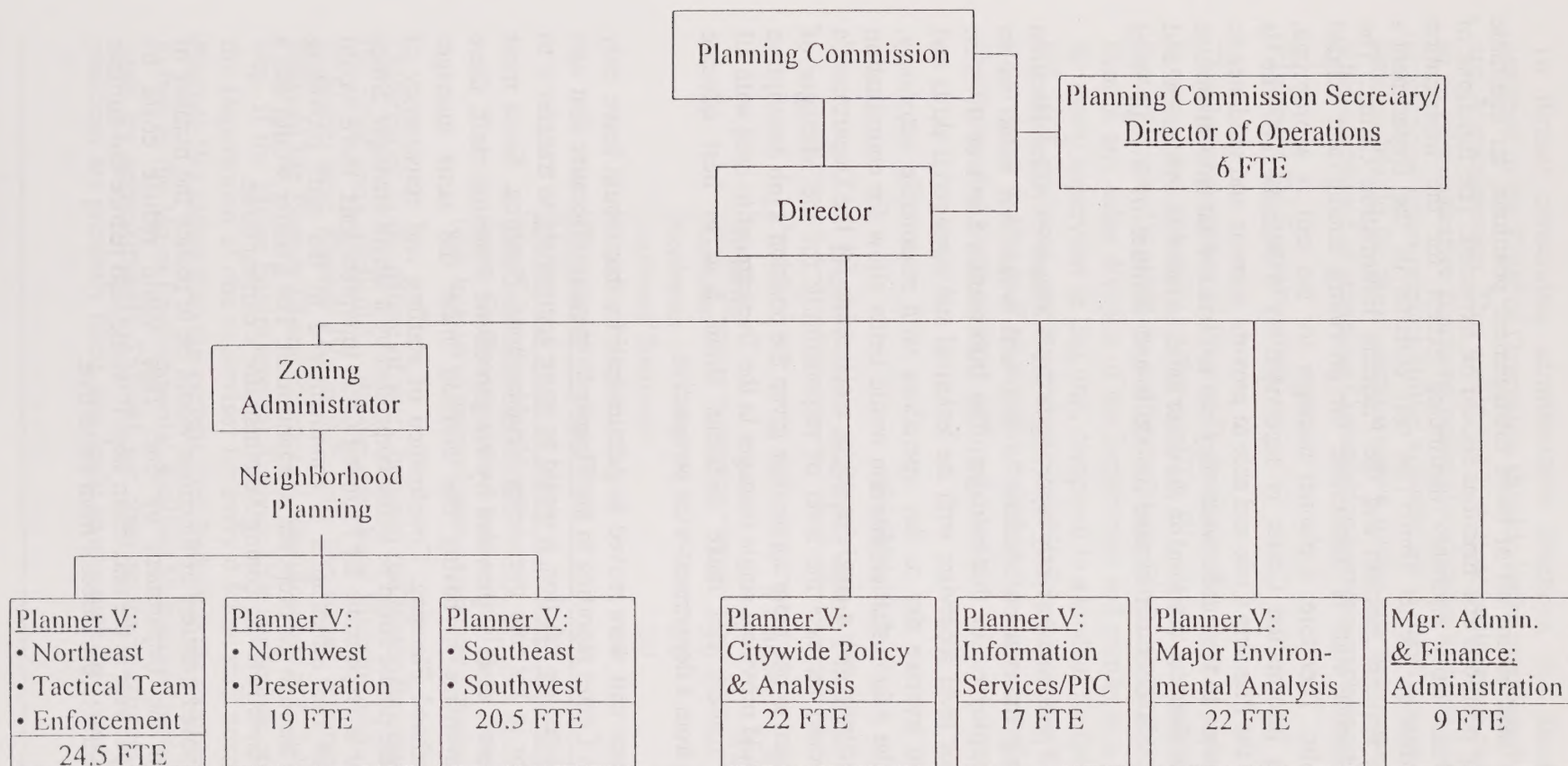
Source: Staffing/organization chart provided by the Planning Department

Note: Includes all budgeted positions including authorized but vacant positions

As shown in Exhibit 9.1, the median number of reporting positions for all managers, excluding the Zoning Administrator², is 19. For Planner V's only, the median is 20. The top step salary for Planner V's in FY 2001-02 salary is \$105,862. The two other management positions, the Operations Manager and Manager of Finance and Administration have slightly lower salaries than the Planner Vs. They also have many fewer reporting positions than the Planner Vs.

Within the Planner V group, the range around the median number of reporting positions of 20 is 16 through 23.5. The Planner V with the lowest number of reporting employees is responsible for Information Systems, with eight positions, and the Planning Information Center, with another 8 positions, for a total of 16 positions. The other managers with comparatively low numbers of reporting positions are the Operations Manager and the Manager of Finance and Administration, with five and eight positions reporting, respectively.

² The Zoning Administrator was excluded from this calculation because the position is not comparable to the other managers in that it functions more as a Deputy Director than manager of a specific operating unit.



With the proximity of salaries for all of these management positions, an equitable distribution of reporting positions and functions should be expected. The functions of the Planner Vs are reasonably equitably distributed except for the Information Systems/Planning Information Center Unit. The unit consists of the Department's centralized information systems function and the Planning Information Center. The Planning Information Center staff is responsible for providing zoning and related information to the public. Therefore, a planner manager for the unit is appropriate. However, the Planning Information Center is supervised by a Planner IV who is extremely familiar with the Planning Code and able to provide answers and guidance to the Counter staff to provide to the public when they are uncertain what information to provide. The Information Services division, on the other hand, is more of a technical and administrative function that does not require the skills and abilities of a high level planner.

Given the low number of positions currently reporting to the Manager of Administration and Finance, transferring Information Systems to that unit would not result in an inordinate number of employees for that manager. The Information Services division already has a fairly senior level supervisor with the technical and managerial skills and background necessary to oversee day to day operations with reasonable autonomy. Placing the division in the Administration division would better allow for coordination of all administrative functions with a single manager accountable for the Department's internal services and would increase the level of responsibility for the Manager of Administration and Finance to one more appropriate given the position's job description and compensation. It would provide a single manager in the Department to deal with all internal administrative matters and make decisions about how to best allocate administrative resources from a department-wide perspective.

If the Information Systems unit were moved to Administration, that would leave only the Planning Information Center reporting to the Planner V manager. Because that unit is related primarily to the zoning function, it would be more appropriate to transfer it to the Zoning Administrator in his role overseeing Neighborhood Planning. Since most Planning Information Center staff is provided by Neighborhood Planning staff, there would be an added advantage to having this division under the same manager responsible for Neighborhood Planning. Coordination of staffing and consistency of information provided to the public could be better controlled by a single manager. Since the Zoning Administrator is responsible for Planning Code interpretations, there would be greater assurance that this information is communicated to the staff providing information to the public through the proposed reorganization. The transfer would add a fourth position reporting directly to the Zoning Administrator's current three.

The net effect of the proposed transfers of functions would be to reduce the number of Planner V managers in the Department by one. This would reduce costs by approximately \$132,328 per year at the maximum step. It would also reduce the number of positions reporting directly to the Director from six to five.

To further consolidate administrative functions, the functions and staff currently assigned to the Chief of Operations should also be transferred to the Manager of Finance and Administration. This would add five more positions to the function but would result in all administrative functions being placed under a single manager. Given the Chief of Operations' other responsibilities as Secretary to the Planning Commission, she has little time available for these administrative duties and they have to receive lower priority when compared to preparing Commission agendas, packets and meeting minutes.

Planner IV Supervisors

The Department has 17 Planner IV positions that serve as supervisors to line staff, which is comprised primarily of Planner III's, II's, I's and administrative support staff. Five of these Planner IV positions are in the Major Environmental Analysis Unit. This is more than in any other division of the Department and results in a ratio of 3.2 staff positions for every supervisor in that unit, compared to a median for the rest of the Department of 6.5 staff positions per supervisor. Exhibit 9.2 shows the distribution of Planner IV supervisors to line staff by division based on the Department's staffing and organization chart provided to the auditors during the audit.

Exhibit 9.2
Distribution of Supervising Planner IV Positions

Division	# Planner IV's	# Line Planners	Ratio
Northeast	3.0	19.5	6.5
Northwest	2.0	16.0	8.3
Southeast/ Southwest	2.0	17.5	8.8
Citywide Policy & Analysis	4.0	17.0	4.3
Planning Information Center	2.0	7.0	3.5
Median	2.0	17.0	6.5
Major Environmental Analysis	5.0	16.0	3.2

Source: Staffing/organization chart provided by the Planning Department

Note: Includes all budgeted positions including authorized but vacant positions

Differences in the nature of work between the Major Environmental Analysis unit and the other units, particularly the Neighborhood Planning unit, do not justify the number of higher cost Planner IVs in that unit. The annual difference in salary and benefits between the Planner III and Planner IV classifications is \$17,487 at the maximum salary step. If the Major Environmental Analysis Unit applied the median ratio for the rest of the Department of one supervisor for every 6.5 line staff positions, it would require 2.5 Planner IVs rather than the current five. Reducing the number of Planner IVs from five to two in the Major Environmental Analysis Unit would reduce the Department's salary costs by approximately \$52,461 per year at the maximum salary step. Since these positions are presently filled, this could be accomplished over time through attrition.

Conclusion

The Department's management structure includes six Planner Vs, one Manager of Finance and Administration and the Planning Commission Secretary/Director of Operations. The levels of responsibility between these managers are not equally distributed. The Manager of Finance and Administration has only eight reports, compared to the Department-wide median of 19. Administrative functions are split between three managers, including the Planning Commission Secretary who also serves as the Director of Operations with five reporting employees. One of the six Planner Vs oversees an administrative function, Information Services and the Planning Information Center. This position has 16 reporting positions compared to the median of 20 for all Planner Vs. Consolidating all administrative functions under the Manager of Administration and Finance would make better use of that position and increase the number of positions reporting to a more reasonable 21 rather than eight. It would also facilitate better coordination of all Department internal services. It would leave one Planner V manager with a single division, the Planning Information Center, with 8 positions. By transferring the Planning Information Center to the Zoning Administrator, one Planner V position could be deleted when attrition allows.

The Major Environmental Analysis unit staff includes more Planner IV supervisors than the other units of the Department with one supervisor for every 3.2 line staff position, as compared to the median for the rest of the Department of one supervisor for every 6.5 line staff positions. The nature of the work in the Major Environmental Analysis unit does not justify this higher level of supervisory staffing. By converting three of the five Planner IV positions to Planner III positions, the unit would be more consistent with other divisions of the Department.

Recommendations

Based on the above findings, it is recommended that the Board of Supervisors:

- 9.1 Delete one Planner V position from the Department's budget when attrition allows;
- 9.2 Reclassify downward three Planner IV positions to three Planner III positions from the Department's budget when attrition allows.

The Planning Director should:

- 9.3 Restructure the organization by transferring the administrative functions now under the Planning Commission Secretary and the Information Services division now under a Planner V to the Manager of Finance and Administration.
- 9.4 Transfer responsibility for the Planning Information Center to the Zoning Administrator as manager of the Neighborhood Planning unit.

Costs and Benefits

Benefits of the above recommendations would include consolidated administrative services, all reporting to a single manager, better utilization of the Manager of Finance and Administrative position and more equitable levels of responsibility for all managers and supervisors. Salary and benefits costs would be reduced by approximately \$184,789 per year at the maximum salary step (\$132,328 for the deleted Planner V + \$52,461 for the three Planner IVs reclassified to the Planner III classification).

10. Department Fees and Cost Recovery

- The Department's fee revenues of \$10.2 million recovered approximately 75 percent of the Department's costs in FY 2001-02. A high recovery rate is predicted for FY 2001-02 though less than the previous year due to the economic slowdown. Approximately 90 percent of all fee revenue is generated from just five development project application types: 1) building permits; 2) conditional use approvals; 3) environmental review; 4) variances; and, 5) downtown control exceptions.
- The Department does not use a single method for determining its development project application processing fees. Some are based on project valuations, some on estimated staff costs and some on a time and materials basis. State law mandates that revenue from these fees cannot exceed the actual costs incurred in processing the applications. Most of the Department's fees currently recover more than the related costs using the Department's current cost estimating techniques, contrary to State law. However, all actual costs of processing applications, including direct staff time, appropriate indirect costs such as information systems support, related long range planning, and administrative support, are not properly accounted for in the existing fees. The Department needs to rationalize its fees by ensuring that all costs that contribute to application processing are included in its fees.
- The Department does not have a single integrated system for tracking staff hours and application revenues. There are discrepancies in the three sets of computerized records that now store the information needed to analyze costs and revenues by application type. Data input by staff in to the Time Accounting system is not verified or subject to quality control as it should be before being used as the basis for fees.
- The Department is subject to variations in its main revenue sources based on economic cycles. This can affect its ability to fund long-term projects such as information technology upgrades. Establishing a component of all fees that could be placed in reserve and used for known, approved future costs may be an option for solving this problem.
- Collection of special fees such as affordable housing and child care fees is not always done in a consistent and timely manner although it appears that the Department has collected the appropriate fees from all applicable projects. Most of the Controller's analysis and recommendations regarding Special Fees are in process and should continue to be implemented.

Background

The 1988 management audit of the Planning Department identified "cost recovery and construction fees" as an area requiring attention. Four specific recommendations were made, including three for the Department and one for the Department of Building Inspection. The

Building Inspection recommendation was to work with the Planning Department on a construction cost verification procedure for fees that are based on estimated cost of construction. The three recommendations for the Planning Department involved implementing cost recovery fees to cover actual costs incurred for individual cases, instituting tighter controls on staff timekeeping records, and working with the Department of Building Inspection on the verification procedure. Verifying the estimated construction cost is an ongoing process. However, a cost recovery fee has not been created and the need for tighter controls on staff timekeeping records remains.

A study conducted of Department fees in 2000¹ yielded a number of findings and recommendations pertaining to the Department's revenues. Key recommendations included:

1. The aggregate of any fee changes should be revenue neutral;
2. Monitor fees that create a revenue surplus and if this persists, consider reducing fees;
3. Consider increasing subsidized fees closer to full cost recovery levels;
4. Consider revising the fee schedule structure to reduce use of valuation-based fees; and
5. Continue to charge a separate fee for Planning's review of building permits.

For this management audit, an analysis was conducted of the Department's revenues and fee structure and the extent to which the Department is recovering its actual costs through fees.

Fee Revenues

Department fee revenues have covered most Department costs in the last two fiscal years. As shown in Exhibit 10.1 fee revenues were approximately \$10.2 million in FY 2000-01 and \$8.8 million in FY 1999-00. For the current fiscal year, FY 2001-02, annual fee revenues were budgeted to be \$9,765,000 but are now estimated to be approximately \$6,965,000, less than budgeted due to a slowdown in the economy.

Fee revenues were approximately 79.8 percent of actual expenditures in FY 1999-00 and 75.2 percent in FY 2000-01. Based on the first seven months of FY 2001-02, this rate will decrease to an estimated 62.1 percent, even with the Department's planned expenditure reductions of approximately \$2.8 million, as shown in Exhibit 10.1

¹ "Planning Fee Analysis, City & County of San Francisco, June, 2000."

Exhibit 10.1
Fee Revenues and Actual Expenditures
FY 1999-00 – FY 2001-02

	FY 1999-00	FY 2000-01	FY 2001-02*
Fee revenues	\$ 8,756,293	\$ 10,188,870	\$ 7,521,876
Expenditures	10,973,016	13,549,818	12,129,752
Revenues % Expenditures	79.8%	75.2%	62.1%

* Budgeted amount of \$14,929,752 reduced by \$2,800,000 to reflect mid-year budget adjustments. Fee estimate based on actual collections for first seven months, annualized for the year.

Source: Revenues: Planning Department revenue reports

Expenditures: Controller's reports

Fee revenues are comprised primarily of the fees paid for all the different types of development applications processed by the Planning Department. There are 45 different fees charged by the Department for its various development project applications (see fee schedule included as Attachment B). These include seven different fees for building permit applications and nine different fees covering the various stages and types of environmental review. The Department also has eight other fees on its fee schedule for miscellaneous costs such as photocopying, subscriptions to the Planning Commission agenda, and others.

The last major adjustment to application fees was in 1996. On January 1, 2002 some increases were adopted to insure consistency between the Administrative and Planning Codes that had gone unnoticed for several years. A fee surcharge adjustment became effective March 1, 2002.²

Quality control procedures might have prevented such a timing gap for consistency of regulations and the mechanism employed to administer them. By way of comparison, the Department of Building Inspection publishes a Cost Schedule (building valuation data) for use in determining permit and related fees.³ The Schedule is prepared by DBI's Technical Services Division based on construction cost data reported by a contracted Valuation Service in accordance with provisions of the Building Code.

Out of the Department's 45 development project application fees, five account for approximately 90 percent of the Department's fee revenues. These fee categories are building permits, environmental review, conditional use, downtown control exceptions and variances. These five fee categories contributed \$9.1 million of the \$10.2 million collected in fee

² The surcharge of 4.5% to cover costs of acquiring office space (Administrative Code Section 10F.1), was increased to 5%. This surcharge is imposed on all Planning application fees and is payable to DBI.

³ The version currently in use, dated January 1, 2000, is set forth in Section 107.2 of the Building Code and calls for updates in January each year, or as otherwise directed by the Building Inspection Commission.

revenues in FY 2000-01 and \$7.9 of the \$8.8 million collected in FY 1999-00, as shown in Exhibit 10.2.

Exhibit 10.2
Five Major Sources of Department Fee Revenues
FY 1999-00 and 2000-01

	FY 1999-2000		FY 2000-2001	
	Amount	Percent	Amount	Percent
Building Permits	\$4,119,593	47.0%	\$4,634,268	45.5%
Environmental Review	\$2,204,083	25.2%	\$1,709,040	16.8%
Conditional Use	\$975,461	11.1%	\$1,314,095	12.9%
Downtown Control Exceptions	\$363,591	4.2%	\$931,624	9.1%
Variance	\$271,529	3.1%	\$560,076	5.5%
<i>Subtotal</i>	<i>\$7,934,257</i>	<i>90.6%</i>	<i>\$9,149,103</i>	<i>89.8%</i>
Other Fee Revenues	\$822,036	9.4%	\$1,039,767.00	10.2%
Total	\$8,756,293	100.0%	\$10,188,870	100.0%

Source: Planning Department revenue reports

As shown in Exhibit 10.2, there is variation from year to year in the mix of fee revenues from these five categories with Downtown Control Exceptions accounting for a bigger percentage in FY 2000-01 as compared to FY 1999-00 when environmental review comprised a larger share of total revenues. These differences reflect different stages of project timing on larger scale multi-year projects. In spite of variations, these five categories continue to be the source of most of the Department's fee revenues.

For the first seven months of FY 2001-02, comparable fee revenue was \$4.4 million, again comprised primarily of the same five fee categories discussed above. Exhibit 10.3 shows the results for the first seven months of FY 2001-02. As can be seen, the mix has again changed with downtown control exceptions accounting for only 2.9 percent of total fee revenues and variances and conditional uses increasing their share of the total. As in previous years, these five fee revenues accounted for slightly over 90 percent of total fee revenues in the first half of FY 2001-02.

Exhibit 10.3
Top Five Permit Fee Revenues
First Seven Months of FY 2001-02

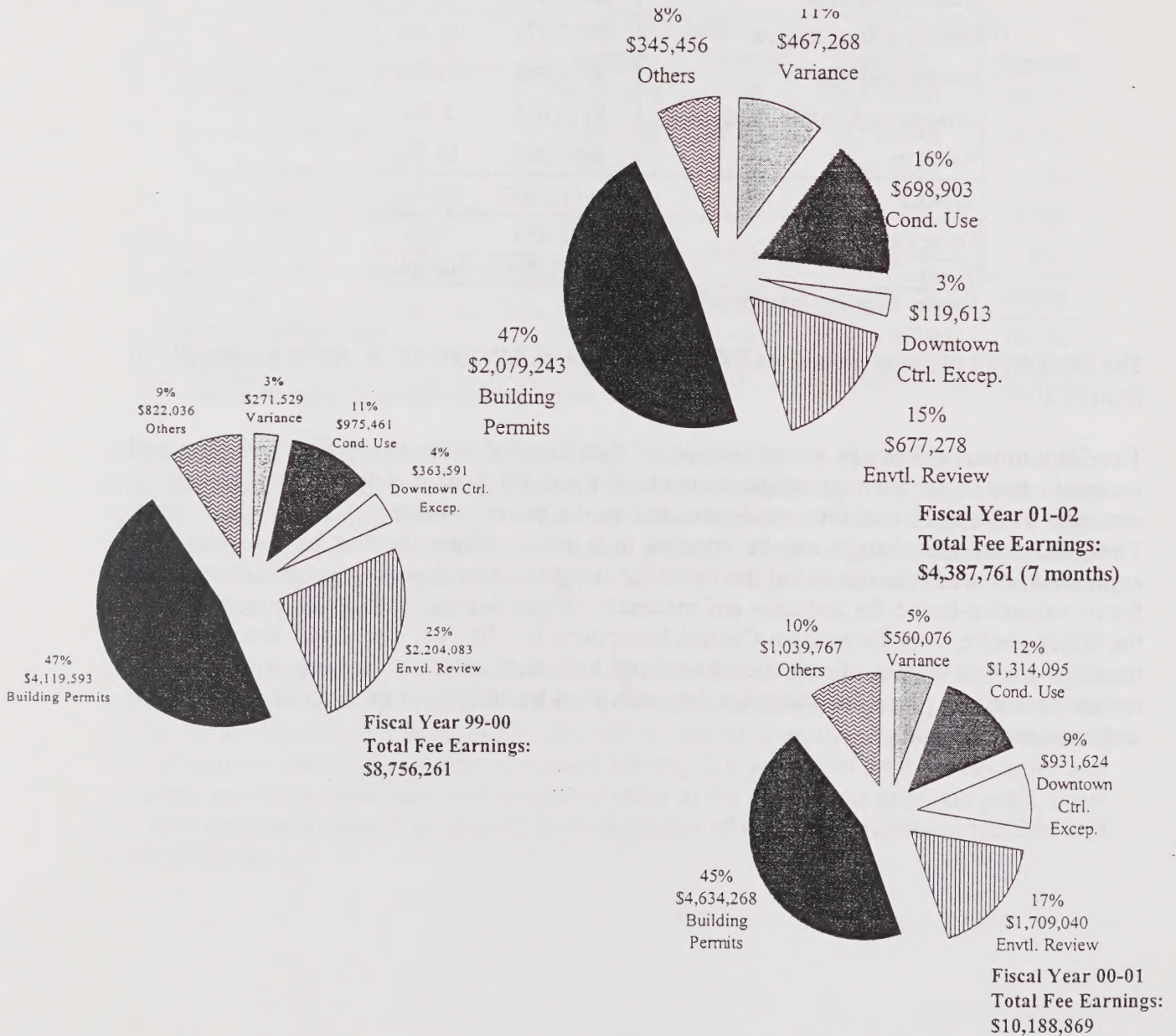
	FY 2001-02	
	Amount	Percent
Building Permits	\$2,079,243	47.4%
Environmental Review	\$677,278	15.4%
Conditional Use	\$698,903	15.9%
Downtown Control Exceptions	\$119,613	2.7%
Variance	\$467,268	10.7%
<i>Subtotal</i>	<i>\$4,042,305</i>	<i>92.1%</i>
Other Fee Revenues	\$345,456	7.9%
Total	\$4,387,761	100.0%

Source: Planning Department revenue reports

The breakdown of fee revenues for FY 1999-00 through FY 2001-02 is shown graphically in Exhibit 10.4.

The Department's fees are a combination of flat fees, valuation-based fees and time and materials fees. Flat fees are single amounts charged for certain types of applications or services. Valuation-based fees are determined by the project's estimated construction costs. Time and materials charges can be imposed in instances where the cost of processing the application exceeds the amount of the initial fee charged. Some fees are a combination of flat fee or valuation-based fee and time and materials. Of the five major fee categories shown in the tables above, only Downtown Control Exceptions is a flat fee. The others are valuation-based or a combination of valuation-based and time and materials. Several environmental review fees are in place including flat fees, valuation-based fees, combinations of these two and time and materials.

Exhibit 10.4
Revenue Comparison
FY 1999-00 to FY 2001-02



State requirements regarding planning fee cost recovery

Whatever type of fee is charged, State law mandates that planning agencies charging fees for development project application processing can only charge the “estimated reasonable cost of providing the service for which the fee is charged.”⁴ Another relevant State law provision is that,

“no local agency shall levy a new fee or service charge or increase an existing fee or service charge to an amount which exceeds the estimated amount required to provide the service for which the fee or service charge is levied. If, however, the fees or service charges create revenues in excess of actual cost, those revenues shall be used to reduce the fee or service charge creating the excess.”⁵

The Planning Department tracks staff hours by case and case type, allowing for a comparison of costs and actual revenues by most fee types. The results of such an analysis are shown in Exhibit 10.4. As shown, the Department as a whole appears to be recovering fee revenue in excess of its estimated costs of processing development project applications. In FY 2000-01, the net recovery was \$4.2 million greater than estimated costs of approximately \$3.8 million. In FY 1999-00, the difference was approximately \$2.9 million. The high fee recoveries reflect an extremely strong economic period during which there was a great deal of construction and development activity in San Francisco and the valuation of construction increased significantly during that time. The fees producing the greatest over-recovery are primarily those that are valuation-based: building permits, conditional use, variances and environmental review.

As shown in Exhibit 10.4, certain application types did not recover their full costs during the last two fiscal years. Discretionary Review cases, for example, were the single largest source of under-recovery for both years reviewed, with an under-recovery of \$492,800 in FY 2000-01 and \$210,951 in FY 1999-00. However, all under-recoveries were more than offset by over-recoveries, particularly from building permit, conditional use, variance, and downtown control exception applications.

To make the comparison shown in Exhibit 10.4, an hourly rate of \$81.97 was applied to the number of planner staff-hours reported for each application type. This is the same approach used by the Department for its fee-related cost calculations. It is the mid-point of a Planner III's salary multiplied by 2.27 to account for indirect costs such as administrative support services.

⁴ California Government Code Section 66014

⁵ California Government Code Section 66016

Exhibit 10.4 Comparison of Planning Department Costs and Revenues By Fee Type

	FY 1999-00			FY 2000-01		
	Cost	Revenue	Difference	Cost	Revenue	Difference
Project Reviews	\$ 73,609	\$ 43,963	\$ (29,646)	\$ 77,380	\$ 35,328	\$ (42,052)
Letters of Determination	24,591	25,712	1,121	36,395	35,342	(1,053)
Building Permits	1,785,962	4,119,593	2,333,631	1,747,600	4,634,268	2,886,668
Certificates of Appropriateness	36,916	111,486	74,570	41,018	91,739	50,721
Beauty Pageant (Sec 321)	56,471	63,835	7,364	88,233	70,497	(17,736)
Conditional Use	627,021	975,461	348,440	532,871	1,314,095	781,224
Discretionary Review of Bldng Permit	232,867	21,916	(210,951)	528,838	36,038	(492,800)
Permission Article 11 building alteration	4,037		(4,037)	8,074		(8,074)
Institutional Master Plan	-		-	-		-
Application for Statement of Eligibility	7,564	5,753	(1,811)	4,716	5,753	1,037
Shadow Study	16,863	19,103	2,240	36,161	17,857	(18,304)
Landmark or Historic District	33,456	-	(33,456)	66,912		(66,912)
Master Plan Amendment	28,280	-	(28,280)	-	104,943	104,943
App for Certificate of Transfer	2,651	4,400	1,749	10,103	6,325	(3,778)
Coastal Permit	328		(328)	4,562		(4,562)
Condominium (new or conversion)	35,116		(35,116)	53,404		(53,404)
Master Plan referrals/Prop M. reviews	16,053	67,701	51,648	50,284	95,064	44,780
Subdivision of Land	-		-	17,966		(17,966)
Zoning Text Change	-	12,729	12,729	25,683	6,411	(19,272)
Variance	185,390	271,529	86,139	316,289	560,076	243,787
Development Agreement Appltns	-		-	99,416		(99,416)
Exception to Downtown Controls (Sec 309)	81,257	363,591	282,334	-	931,624	931,624
Application for Notice of Use of TDR	615		(615)	6,763		(6,763)
Zoning Reclassification and Setbacks	984	90,508	89,524	40,821	15,816	(25,005)
TOTAL	\$3,250,030	\$ 6,197,280	\$2,947,250	\$ 3,793,487	\$7,961,176	\$4,167,689

Note: Excludes environmental review due to absence of Department data on environmental review caseload for the years reviewed.

Source: Planning Department revenue reports and Time Accounting System

Department's methods for determining planning fees

The varying levels of over- and under-recovery raises the question of how fees are determined by the Department. Since the costs estimated are for planner hours and a share of indirect costs, it is reasonable to assume that over or under-recoveries should be reasonably equal between fee types. However, since different bases are used for different types of fees, this is not the case. Valuation-based fees increase as the cost of construction increases. If Department costs do not increase at the same rate, an over-recovery situation occurs. If

Department costs increase at a rate greater than flat fee increases, an under-recovery can occur.

The Department does not use a consistent methodology to identify its costs and set fees for all application types. The existing fee structure has been in place for some time based on different approaches used at different times in the past and has never been comprehensively reviewed and modified so that a consistent approach is established for all fees. Basing fees on the construction value of a project is not unreasonable in that larger projects with higher construction costs probably cost more to process than small home remodels. However, increases in construction costs and valuations may be unrelated to Department costs increases. A more rational approach that would better comply with the intent of State fee law would be to identify actual historic costs for processing each type of application, add actual indirect costs that are directly attributable to application processing and set fees accordingly.

This approach could be relatively easily implemented by the Department because it already collects the base data needed to determine actual costs of processing development project applications--staff time. Staff planners are required to record their time each day, by project, in the Department's Time Accounting System. As a result, the system records actual staff hours by individual case and application type. When combined with caseload numbers, this data can be summarized to determine average hours and cost per case by type of application.

To determine the actual total costs of application processing, appropriate shares of indirect costs such as those for support staff, information systems maintenance and equipment, the Administration division, and even a portion of Citywide Policy and Analysis division need to be identified and allocated to the application processing function. Currently these costs are spread among all planner staff equally without regard to which division and function is the cause of which costs. A proportionate share of countywide indirect costs such as Board of Supervisors and Department of Human Resources costs should also be allocated to the application processing function to come up with the total cost of this service.

One problem with implementing this approach to Department fee setting is that the sources of information needed for this analysis are not integrated. The Department's Time Accounting system tracks staff time by case but revenues are tracked in a separate computer application maintained by the Department's Finance staff. The Finance staff maintains its own database of application caseload but without staff hours. The different databases do not record their data according to a consistent set of application types.

The audit team found discrepancies in Department records that report on or at least address fee revenue and caseload, even in cases where the source data is the same. The information technology infrastructure is in place at City Planning; however, quality assurance and quality control procedures need to be established to ensure data integrity.

These variations in caseload and time record keeping explains some of the gaps in information in Exhibit 10.4 where costs are shown for some application types without corresponding revenue amounts or revenues are shown, but not costs. While none of the

missing data would change the net results of over-recovery, the information should be collected in a consistent fashion for all application types. The most significant missing data is that of the entire Major Environmental Analysis division. The Department has no environmental review caseload numbers in either the Time Accounting or Finance Division databases for this division. Though environmental review fees collected amounted to approximately \$1.7 million in FY 2000-01, it is not possible to determine average costs per case without caseload numbers. The Department needs to establish an integrated time and cost tracking system that accounts for all application types, tracks caseload numbers, and tracks actual revenues.

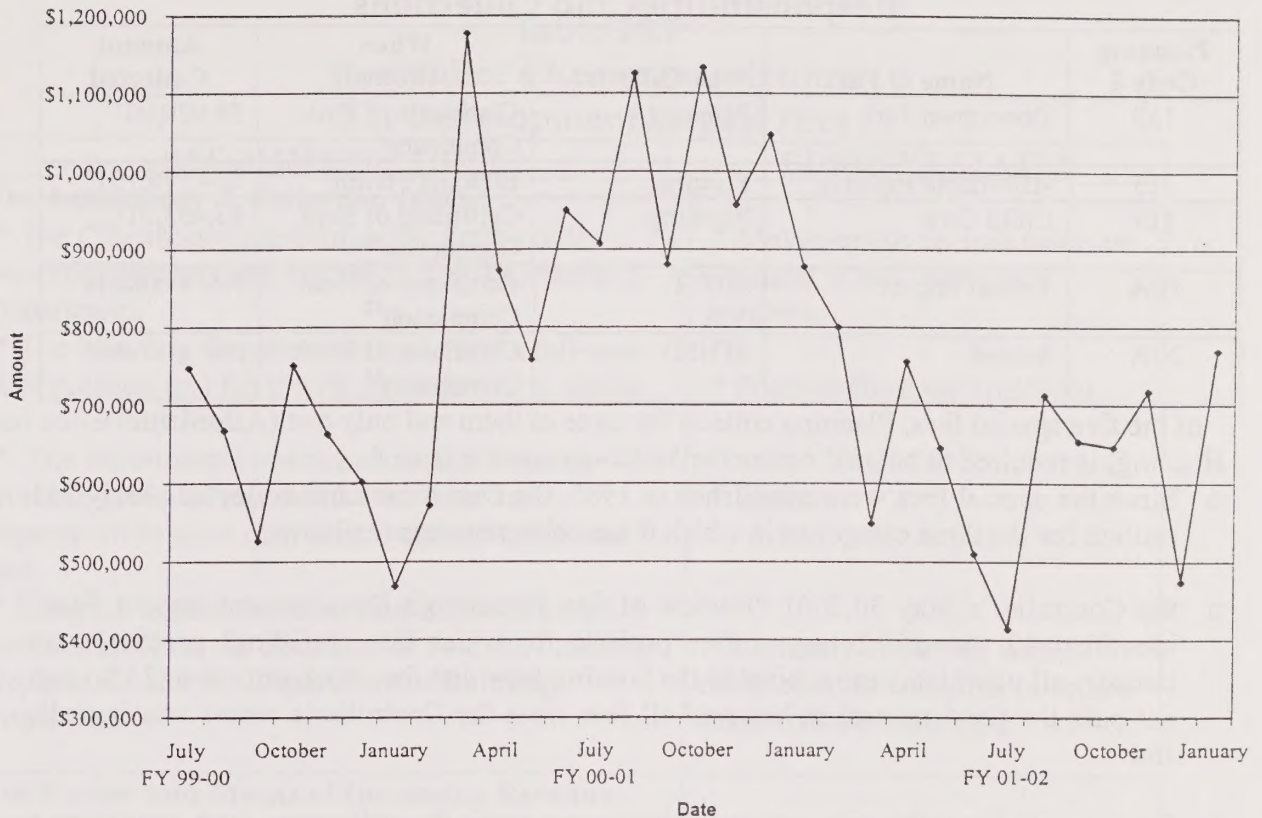
Effect of economic cycles on fee revenues

Even with a rationalized cost accounting system in place, the Department could still over- or under-recover its costs in some years based on fluctuations in the economy and the timing of application activity. As discussed above, the Department is forecasting a decline in fee revenues for FY 2001-02 due to a slowdown in construction and economic activity. Exhibit 10.5 presents a graphic depiction of Department fee revenues since FY 1999-00 including the downturn starting in January 2001.

One approach to this problem would be identification and incorporation of certain fixed or multi-year costs in Department fees. Costs such as approved planned future computer upgrades could be built into the fees and set aside in a reserve for that purpose until needed. Then, in the event of an economic downturn, the Department could proceed with needed expenditures. Details of such an approach would need to be worked out with the Controller and may require City Attorney input to ensure that only allowable costs are included.⁶

⁶ State law does not allow inclusion of funding for contingencies in development application fees.

Exhibit 10.5
Fee Revenue Trends



Special Fees

Special fees, also referred to as development impact fees, constitute assessments on approved development projects to mitigate some of the adverse impacts from those projects, such as the need for affordable housing, child care, parks, schools and transit. The special fees currently in place in the City are shown in the Exhibit below with Planning Code reference where applicable, collection schedule and amounts collected by the Department since their inception.

Exhibit 10.6
Table of Special Fees,
Responsibilities and Collections

Planning Code §	Name of Fee	Who Collects?	When Collected?	Amount Collected
139	Downtown Park	Planning	Certificate of Final Completion ⁷	\$8,020,001 ⁸
313	Affordable Housing	Planning	Building Permit	\$34,776,101 ⁹
314	Child Care	Planning	Certificate of Final Completion ¹⁰	\$3,453,916 ¹¹
N/A	Transit Impact	MUNI	Certificate of Final Completion ¹²	Not available
N/A	School	SFUSD	Certificate of Final Completion ¹³	Not available

of the five special fees, Planning collects for three of them and only one (Affordable Housing) is required to be paid *before the building permit is issued*;

- Since the special fees were established in 1985, the Department has collected nearly \$51 million for the three categories in which it has collection responsibility.
- the Controller's May 30, 2001 "Review of San Francisco's Development Impact Fees" identified 13 out of 32 large office projects for which site (building) permits were issued—all of which were subject to the housing fee—and for which only two (15%) had not paid the fee (one project has paid all fees since the Controller's report was issued); and
- fee payment is not the only option for developers under the ordinance; land, money or a combination equal to the fee can be given for the construction of affordable housing.

It appears that the appropriate fees were collected from all applicable projects, excepting one, in a timely manner and there are other fees that will be due upon the proponents' application for Certificate of Final Completion. Nevertheless, the Budget Analyst supports reinforcement of the Controller's main recommendations, one of which is already implemented with the hiring of a fulltime analyst on November 5, 2001, to focus exclusively on tracking and collecting special fees. The Controller also recommended that the Planning Department collect all of the special fees. The key to implementing this lies within the Information Services Section where work is underway on the interface of Planning's Parcel Information Database with the DBI's Permit Tracking System, and with a scheduled

⁷ (Before)Certificate of Final Completion is issued

⁸ Collections only, through 4/18/2002

⁹ Collections only, through 4/11/2002

¹⁰ (Before)Certificate of Final Completion is issued

¹¹ Collections only, through 12/19/2001

¹² (Before)Certificate of Final Completion

¹³ (Before)Certificate of Final Completion

completion date of June 30, 2002. Shown in the Exhibit below is a summary of the current status of the Controller's recommendations.

Table 10.7
Controller's Recommendations
For Development Impact Fees

<u>RECOMMENDATIONS</u>	<u>CURRENT STATUS</u>
Fee Assessment & Collection Issues: • The City should standardize the timing of the collection process and centralize it in the Planning Department. • The Planning Department should add a full-time staff position and fill it with an employee to assess and collect the fees. • The departments concerned should create a working group of representatives from each department to meet quarterly to track projects and fees. • Integrate impact fee recording and notification mechanisms into the databases of both the Planning Department and the Department of Building Inspection.	• Movement to centralization in Planning is well along in progress. • Position filled on 11/5/2001 • Unknown • Currently underway with completion of computer interface scheduled for 6/30/2002
Fee Review and Means of Increasing Revenue: • The Planning Department should perform regular nexus studies and fee reviews. • The Planning Department should consider growth patterns in future nexus studies to determine if geographic boundaries for fees should change. • The City should make all the impact fees apply to the same types of development.	• Not yet done, but new staff person can include in work program • Under consideration. • Not a Planning Dept. action
Administration of Individual Fees: • The Planning Department and other administering departments should issue a regular comprehensive impact fee report. • The Controller should give access codes to departments to allow them to spend the money in various funds.	• Can be prepared by new staff person • Not applicable to Planning Dept. for any of the funds

The only new occurrence in this area is a proposal by the Treasurer to now collect fees for all City departments, including these special fees. Our recommendation takes this proposal into account without diminishing the Department's current thrust.

Conclusion

The Department's practices with respect to fees as well as the current fee structure can be made more rational by moving to fees based on actual costs rather than project valuations. Documentation of the fee-structure process will serve to avert litigation, render the fees defensible and provide a framework for allocating a proportional share of long-range planning costs to the fees for current development. At the same time, the Department must accelerate the completion of work in the Information Services Section to ensure adequacy of the automated data processing system to accurately track permit and special fees as well as capture the service costs for staff planners in each organizational unit. Greater efficiency in application processing and more reasonableness of fees in relation to staff activity can be obtained with possible revisions to the Discretionary Review process.

Recommendations

Based on the above findings, it is recommended that the Planning Commission:

- 10.1 Develop and adopt a policy that clearly delineates the overall approach to establishing and regularly adjusting the schedule of fees for planning services while specifying an approach based on total actual costs and the appropriate application of project valuation;
- 10.2 Direct staff to develop a method, consistent with the above policy, for establishing all fees and to propose fee adjustments that are based on actual historic staff costs for each type of development project application and all allowable and appropriate indirect costs that are directly attributable to processing applications including administrative and support costs, a portion of long range planning, and all allowable countywide indirect costs; and,
- 10.3 Adopt the new fee schedule when staff has completed its analysis.

Also based on the above findings, it is recommended that the Director of the Planning Department:

- 10.4 Immediately design and implement a method for insuring accurate capture of staff time expended on planning services within the Department's different organizational units;
- 10.5 Accelerate implementation of the Controller's recommendations pertaining to Special Fees. However, carefully review the Treasurer's current proposal for centralized collection of all fees to ensure that the Department cooperates with the appropriate departments in implementing the process determined to be in the City's best interest;

- 10.6 Determine if there are projects not included in the Controller's sample of 32 projects that are subject to special fees and any amounts paid and due, e.g., projects smaller than 25,000 square feet in size as well as all hotel and residential development;
- 10.7 Enter details of all approved special fees in the Parcel Information Database at the time of project approval;
- 10.8 Prepare an annual Special Fees Information Report and submit it to the Planning Commission, including a comparison with the total square footage of all approved project types in the same period;
- 10.9 Ensure that the Parcel Information Database includes appropriate fields for fees that correspond to the fee-related fields in DBI's Permit Tracking System;
- 10.10 Develop and install a quality assurance/quality control procedure to ensure that all fee related computer data entries are timely and accurately made, and with the appropriate and clearly auditable managerial approval;
- 10.11 Obtain input from the Controller and City Attorney and report back to the Planning Commission regarding the feasibility of placing a portion of fee revenues in a reserve fund for pre-approved, future costs such as technology system upgrades.

Costs and Benefits

Implementation costs for the above recommendations would consist primarily of staff time. The benefits would include a more rationalized approach to Department fees and greater compliance with State law in this area. It is not possible to determine if fee revenue would increase or decrease until the Department develops a method for accounting for all of its direct and indirect costs associated with development project application processing. Other benefits would include improved accountability and reporting of the collection of special fees such as the affordable housing and child care fees.

SAN FRANCISCO PLANNING DEPARTMENT SCHEDULE OF APPLICATION FEES Effective January 1, 2002

1. ENVIRONMENTAL APPLICATIONS

	<u>Fee (eff. 4/15/2001)</u>
a. Initial Study (Environmental Evaluation and Environmental Impact Report (EIR))	Dependent on construction cost. (Use appropriate worksheet from the following pages.) Some applications are subject to addition of T/M see page 4, as indicated. City-sponsored EIR applications are subject to T/M only. <i>Admin. Code • 31.22 (a)(1) and (a)(2)</i>
b. Reactivate Withdrawn Application (w/in 6 months)	\$1,045 + (T/M +4.5%) <i>Admin. Code • 31.22 (a)(9)</i>
c. EIR Addendum	\$5,225 <i>Admin. Code • 31.22 (a)(4)</i>
d. EIR Supplement	1/2 EIR fee +4.5% <i>Admin. Code • 31.22(a)(5)</i>
e. Negative Declaration Addendum/Re-evaluation	\$523 <i>Admin. Code • 31.22(a)(6)</i>
f. Exemption Certificate	\$157 + (T/M +4.5%) ² <i>Admin. Code • 31.22(a)(7)</i>
g. Exemption Stamp	\$68 <i>Admin. Code • 31.22(a)(8)</i>
h. Appeal of Preliminary Neg. Decl. To Planning Comm.	\$209 for Appellant only. Fee for Project Sponsor equals to (T/M +4.5% to 3x fee) <i>Admin. Code • 31.22(a)(3)</i>
i. Appeal of EIR Certification to the Board of Supervisors	\$218 for Appellant only. <i>Admin. Code • 31.22(a)(10)</i>

2. COMMISSION AND VARIANCE HEARING APPLICATIONS

	<u>Fee</u>
a. Discretionary Review request	\$131 for 2 hrs. + (T/M +4.5%) <i>Planning Code • 352(b)</i>
b. Planning Code Text amendment request	\$3,135 + (T/M +4.5%) <i>Planning Code • 352(j)</i>
c. Zoning Map change (incl. interim controls)	\$3,135 + (T/M +4.5%) <i>Planning Code • 352(g)</i>
d. Setback change (create, modify or delete)	\$1,568 + (T/M +4.5%) <i>P. C. • 352(h)</i>
e. Institutional Master Plan - full	\$6,792 + (T/M+4.5%) <i>P. C. • 352(c)(1)</i>
- abbreviated	\$679 for 10 hrs. + (T/M+4.5%) <i>P. C. • 352(c)(2)</i>
f. General Plan Referral	\$224 + (T/M+4.5%) after 3 hrs. <i>P. C. • 352(e)</i>
g. General Plan amendment and related plans	Fee based on T/M+4.5% <i>P. C. • 352(d)&(f)</i>
h. Conditional Use (including PUD),	Basic Commission Hearing Fee Schedule Dependent on construction cost (see page 4). Some applications are subject to addition of T/M as indicated. <i>P. C. • 352(a), 352(b), 352(c)</i>
i. Section 321 (Annual Limit) Review	\$15,675 <i>P. C. • 353(c)</i>
j. Variance	Basic Commission Hearing Fee Schedule Dependent on construction cost (see page 4). Some applications are subject to addition of T/M as indicated. <i>P. C. • 352(a), 352(b), 352(c)</i>

DOWNTOWN APPLICATIONS

	<u>Fee</u>
a. Section 309 review	Basic Commission Hearing Fee Schedule (see page 4) <i>P. C. • 353(b)</i>
b. Application for 1 or more exceptions under Section 309	\$5,225 <i>P. C. • 353(a)</i>

Note: Where an applicant requests two or more approvals involving a Conditional Use, Planned Unit Development, Variance, Downtown (C-3) District Section 309 review, Certificate of Appropriateness, Permit to Alter a Significant or Contributory building both within and outside of Conservation Districts, or a Coastal Zone Permit review, the amount of the second and each subsequent initial fees shall be reduced to 50% plus time and materials as set forth in Sec.350 (c) (*P. C. • 352(a)(2)*). This sub-section shall not apply to fees for exceptions from Section 309 requested under subsection (a). (*Section 353(a)*).

3. PRESERVATION APPLICATIONS

	Fee
a. Landmarks Designation	\$261 Planning Code • 356(a)
b. Historic District Designation	\$1,045 + (T/M + 4.5%) Planning Code • 356(b)
c. Certificate of Appropriateness	Dependent on construction cost. P. C. • 356(c)
<u>Construction Cost</u>	
Zero to \$999	\$209
\$1,000 to \$9,999	\$418
\$10,000 or more	Basic Commission Hearing Fee Schedule. (see page 4)
d. Determination of compatibility	Basic Commission Hearing Fee Schedule. P. C. • 356(d)
e. Mills Act historical properties contract	\$336 - (T/M + 4.5%) after 4 hrs. P. C. • 356(e)
f. Article 11 (Downtown Preservation) review	
- designation or change of designation of a significant or contributory building	\$700 Planning Code • 353(d)(1)
- designation or change of boundary of a conservation district	\$700 Planning Code • 353(d)(2)
- alteration of a significant or contributory building in designated conservation dist.	No fee if deemed minor. If not minor, same as Certificate of Appropriateness (see 3c, above). P. C. • 353(d)(3)
- alteration of a contributory building outside a conservation district from which no TDR has been transferred and no permit per Sections 1111 - 1111.6 has been issued	\$26 Planning Code • 353(d)(4)
- demo. of significant or contributory bldg.	\$700 Planning Code • 353(d)(5)
- demo. of a contributory building outside (or Category V building inside) a conservation district from which no TDR has been transferred	No fee. Planning Code • 353(d)(5)
Statement of Eligibility	\$523 Planning Code • 353(d)(6)
Certificate of Transfer, Execution of	\$275 Planning Code • 353(d)(7)
Certification of Transfer of TDR (Notice of Use)	\$523 Planning Code • 353(d)(8)

4. SUBDIVISION APPLICATIONS *Subdivision Code • 1315*

	<u>Fee</u>					
Number of Units	<u>2-4</u>	<u>5-9</u>	<u>10-19</u>	<u>20-49</u>	<u>50-99</u>	<u>100+</u>
a. Land Subdivision	\$300	\$590	\$1,165	\$1,790	\$2,650	\$3,125
b. New Condominiums	165	275	440	660	1,100	2,200
c. Condominium Conversions	825	1,375	2,200	4,070	4,400	6,600

5. MISCELLANEOUS FEES

	Fee
a. Monitoring approved Section 149, 163, 164, 165, 321, Conditional Use, Variance and Section 309 projects	\$74 for 1 hr. + (T/M + 4.5%) P. C. • 351(e)
b. Sale of documents (publications/transcripts)	Price varies depending on documents
c. Photocopies	\$0.10 per sheet Admin. Code • 8.28.
d. Information, analysis, report preparation research services, data requests, site inspections & presentations	\$68 for 1 hr. + (T/M + 4.5%) P. C. • 351(d)
e. Subscription to Planning Commission agenda	\$20 per year Planning Code • 351(a)
f. Subscription to Landmarks Board Agenda	\$10 per year Planning Code • 351(b)
g. Project review (policy/code/interpretation)	\$105 for 2 hrs. + (T/M + 4.5%) P. C. • 351(f)
h. Project notification (BBN)	\$26 per Assessor's Block + \$11 each additional block P. C. • 351(j)
i. Written determination by Zoning Administrator	\$105 + (T/M + 4.5%) P. C. • 351(h)

- | | |
|--|--|
| j. Transportation review- transportation study | \$5.936 Planning Code • 357 |
| k. Temporary use permit review | \$75 for 1 hr. + (T/M + 4.5%) P.C. • 352(i) |
| l. Service Station Conversion Determination | \$1,045 + (T/M + 4.5%) P.C. • 352(k) (Basic Commission Hearing Fee Schedule with no Construction Cost) |
| m. Offsite dockets retrieval (inhouse free) | \$5 per case |

6. BUILDING PERMIT APPLICATIONS

a. Building Permit review

NOTE: window & door replacement applications approved at the Construction Service Center shall be charged 1/2 fee.

Construction Cost	Fee Planning Code • 355(a)
\$1 - \$500	\$52
\$501 - \$1,999	\$50 + .10 over \$500 + 4.5%
\$2,000 - \$9,999	\$200 + .02 over \$2,000 + 4.5%
\$10,000 - \$99,999	\$360 + .0045 over \$10,000 + 4.5%
\$100,000 - \$500,000	\$765 + .0035 over \$100,000 + 4.5%
\$500,000 - \$5,000,000	\$2,165 + .0027 over \$500,000 + 4.5%
\$5,000,000 or more	\$14,315
No construction cost	\$199 + (T&M + 4.5%)

- | | |
|--|---|
| b. Permit Revision recheck | \$74 for 1 hr. + (T&M + 4.5%) P. C. • 355(a)(2) |
| c. Shadow review of project exceeding 40' | \$209 + (T&M + 4.5%) P.C. • 355(a)(3) |
| d. Public notification (36cents per label) | \$43 for 1 hr. + (T&M + 4.5%) P.C. • 355(a)(4) |
| e. Demolition applications | \$418 P.C. • 355(b) |
| f. Fire, Police and Health Permit Fees | \$47 for 1 hr. + (T/M + 4.5%) P.C. • 355(c) |
| g. Sign | \$94 + (T/M + 4.5%) Planning Code • 355(d) |

NOTES

T/M means the applicant will be billed for time and materials (plus surcharge) expended beyond that covered by the initial fee, if any, or beyond the number of staff hours stated. The total additional charge without providing an estimate of cost shall not exceed two times the initial fee paid except where (1) the initial fee is based upon 2 hours or less of staff time, in which case the limit shall be 4 times the initial fee, (2) for permits with no construction cost and Fire, Police and Health Dept. Permits, the limit shall be 5 times the initial fee, and (3) a verified code violation is involved in cases described in footnote 4, below. Planning Code 350(c) and Administrative Code 31.22A(b)(2).

A surcharge of 4.5% to cover costs of acquiring office space (Administrative Code Section 10F.1). Specific amounts listed with these superscripts include the surcharge. Fees expressed as a formula show the surcharge as a part of the formula.

Other agencies may charge and collect fees for the same projects as charged and collected by the Planning Department. The Department of Building Inspection collects fees for permit application review and permit issuance. The Health Department and Police Departments collect fees for the licenses they issue after review by the Planning Department. The Board of Supervisors and the Board of Permit Appeals collect a fee for appeals of conditional uses and variances. These fees are not controlled by the Planning Department. The Board of Supervisor's conditional use appeal fee is currently \$275.00 and the Board of Appeals fee for a Planning appeal is currently \$400.00 but both are subject to independent change.

Refunds pursuant to a request to withdraw an application PRIOR TO A PUBLIC HEARING shall be the total fee minus time and materials expended plus a \$200 processing fee.

All fees are payable at time of filing application or request, except where noted otherwise. However, the Planning Director may authorize phased collection of the fee for a project whose work is projected to span more than one fiscal year.

Monitoring Conditions of Approval established pursuant to a public hearing by the Planning Commission or Zoning Administrator for all approved applications in Sections 352(a) and (i), 353(a) and (b) and 355: \$68 for first hour of staff time plus time and materials as set forth in Section 350(c)(1). For monitoring required condition subsequent to the time of permit issuance or where no permit is required, the fee will be charged and collected by the Department.

SAN FRANCISCO
PLANNING DEPARTMENT
BASIC COMMISSION HEARING FEE SCHEDULE
COMPUTATION WORKSHEET
(Effective January 1, 2002)

Variance, Conditional Use, PUD, Section 309 (Downtown) Coastal Zone Permits and others by reference
Per City Planning Code Section 352(a), Article 3.5A ...

(1) \$1 through \$9,999: $1,000 + 4.5\% = \underline{\$1,045}$

2

(2) \$10,000 through \$999,999:

Cost: _____ -10,000 =

x.46% = _____ +1000 = _____ +4.5% =

(3) \$1,000,000 through \$4,999,999

Cost: _____ -1,000,000 =

x.55% = _____ +5,516 = _____ +4.5% =

(4) \$5,000,000 through \$9,999,999

Cost: _____ -5,000,000 =

x.46% = _____ +27,670 = _____ +4.5% =

(5) \$10,000,000 through \$19,999,999

Cost: _____ -10,000,000 =

x.24% = _____ +50,476 = _____ +4.5% =

(6) \$20,000,000 and more = \$77,827

(7) No construction cost: $\$1,000 + 4.5\% = \underline{\$1,045}$

(8) Minor change of condition only: \$836 plus T&M

- 1 Where an applicant requests two or more approvals involving a Conditional Use, Planned Unit Development, Variance, Downtown (C-3) District Section 309 review, Certificate of Appropriateness, Permit to Alter a Significant or Contributory building both within and outside of Conservation Districts, or a Coastal Zone Permit review, the amount of the second and each subsequent initial fees shall be reduced to 50% plus time and materials as set forth in Sec.350 (c). This sub-section shall not apply to fees for exceptions from Section 309 requested under subsection (a). (Section 353(a)).
- 2 The applicant will be billed for time and materials (+ 4.5%) expended beyond the initial fee but without an estimate, not exceeding 2 X initial fee. For a significant revision to an open case, the applicant will be billed for time and materials (+ 4.5%) expended beyond the initial fee but without an estimate, not exceeding 3 X initial fee. [Sec. 352(a)(3) & (4)]
There is a fee cap for CCSF agencies. Application fees are capped at the fee for a \$5,000,000 project plus T&M [Sec. 352(a)(6)]
- 3 4.5% per Administrative Code Sec. 10F.1.

NOTE: Where a verified code violation is associated with a delinquently incomplete application, a charge to cover time and materials (+4.5%) involved in making the application complete will be assessed [Planning Code Sec. 352(a)(1)].

SAN FRANCISCO
PLANNING DEPARTMENT
ENVIRONMENTAL EVALUATION
FEE COMPUTATION WORKSHEET
(Effective January 1, 2002)

Environmental Evaluation

Per Administrative Code Section 31.22A(a)(1) ...

(1) \$1 through \$9,999: $950 + 4.5\%^1 = \underline{\$993}$

(2) \$10,000 through \$199,999:

Cost: _____ -10,000 =

x.41% = _____ +950 = _____ +4.5% =

(3) \$200,000 through \$999,999

Cost: _____ -200,000 =

x.31% = _____ +1,730 = _____ +4.5% =

(4) \$1,000,000 through \$9,999,999

Cost: _____ -1,000,000 =

x.26% = _____ +4,248 = _____ +4.5% =

(5) \$10,000,000 through \$29,999,999

Cost: _____ -10,000,000 =

x.08% = _____ +27,647 = _____ +4.5% =

(6) \$30,000,000 through \$49,999,999

Cost: _____ -30,000,000 =

x.03% = _____ +44,067 = _____ +4.5% =

(7) \$50,000,000 through \$99,999,999

Cost: _____ -50,000,000 =

x.007% = _____ +49,540 = _____ +4.5% =

(8) \$100,000,000 and more

Cost: _____ -100,000,000 =

x.003% = _____ +53,189 = _____ +4.5% =

(9) No construction cost: $\$950 + 4.5\% = \993 plus (time and materials + 4.5%) beyond the initial fee not to exceed 2 X the initial fee without providing an estimate of cost.

¹ 4.5% per Admin. Code Sec. 10F.1. An applicant making significant revisions to an open case will be billed for time and materials (+4.5%) expended beyond the initial fee not exceeding 3 X initial fee without providing an estimate of cost.

SAN FRANCISCO
PLANNING DEPARTMENT
ENVIRONMENTAL IMPACT REPORT
FEE COMPUTATION WORKSHEET
(Effective January 1, 2002)

Environmental Impact Report¹

Per Administrative Code Section 31.22A(a)(2) ...

(1) \$zero through \$199,999: $16,000 + 4.5\% = \underline{\$16,720}$

(2) \$200,000 through \$999,999:

Cost: _____ -200,000 =

x.4% = _____ +16,000 +4.5% =

(3) \$1,000,000 through \$9,999,999

Cost: _____ -1,000,000 =

x.27% = _____ +19,187 +4.5% =

(4) \$10,000,000 through \$9,999,999

Cost: _____ -10,000,000 =

x.11% = _____ +43,514 +4.5% =

(5) \$30,000,000 through \$49,999,999

Cost: _____ -30,000,000 =

x.03% = _____ +64,854 +4.5% =

(6) \$50,000,000 through \$99,999,999

Cost: _____ -50,000,000 =

x.03% = _____ +70,328 +4.5% =

(7) \$100,000,000 and more

Cost: _____ -100,000,000 =

x.01% = _____ +84,554 +4.5% =

1 Applicants will be billed for time and materials (+ 4.5%) expended beyond initial fee with the total charge not to exceed 2X the initial fee without providing an estimate of cost. An applicant making significant revisions to an open case will be billed for time and materials (+ 4.5%) expended beyond the initial fee not exceeding 3 X initial fee without providing an estimate of cost. City-sponsored EIR applications are subject to T/M only.

2 4.5% per Admin. Code Sec. 10F.1.

SAN FRANCISCO
PLANNING DEPARTMENT
DOWNTOWN PARK FEE
COMPUTATION WORKSHEET
(Fee Approved September 17, 1985)

Per City Planning Code Section 139:

- 1) This Fund is set up to provide City and County of San Francisco with the financial resources to acquire and develop public park and recreation facilities.
- 2) This fee is only applicable to the following permit applicants:
 - Office development project within C-3-O
 - Office development project within C-3-O (SD)
 - Office development project within C-3-R
 - Office development project within C-3-G
 - Office development project within C-3-S
- 3) The fee shall be collected by the City Planning Department but payable to "Controller of City & County of San Francisco".

COMPUTATION:

\$ 2.00 per sq. ft. X _____ (net addition of gross floor area per final permit) = \$ _____
(Applicable to net new office at zero or more gross square feet)

For Planning Dept. A/C #: 290038-60181(CRP776)

SAN FRANCISCO
PLANNING DEPARTMENT
CITYWIDE AFFORDABLE HOUSING FEE
COMPUTATION WORKSHEET
(Rates effective January 1, 2002)

Per City Planning Code Section 313:

- 1) This Fund is set up to provide City and County of San Francisco with the financial resources to develop citywide affordable housing exclusively for qualifying households (P. C. Sec. 313.12)
- 2) Per analysis of the OAHPP (Office of Affordable Housing Production Program) Formula prepared by the Dept. of City Planning in November 1994, in-lieu fees for new office construction shall be imposed on the sponsors of the development projects (P. C. Sec. 313.6) Project's Sponsors may also elect to satisfy requirement by contributing land to construct housing units (Housing units formulas varies depending on types of project space. See P. C. Sec. 313.5) For compliance, please also refer to P.C. Sec. 313.7)
- 3) This fee is applicable to any of the following developing projects with an Environmental Evaluation application filed on or after January 1, 1999 (P.C. Sec. 313.3)
 - a. Net addition of entertainment space > or = 25,000 sq. ft.
 - b. Net addition of hotel space > or = 25,000 sq. ft.
 - c. Net addition of office space > or = 25,000 sq. ft.
 - d. Net addition of research & development space > or = 25,000 sq.ft.
 - e. Net addition of retail space > or = 25,000 sq. ft.
- 4) The fee shall be collected by the City Planning Department but payable to "Controller of City & County of San Francisco". The fee is due prior to issuance of the first site or building permit.

COMPUTATION: (per P. C. Sec. 313.6)

Entertainment Space		
Net Addition X	\$ 13.95	= Total Fee _____
Gross Sq. Ft.		
Hotel Space		
Net Addition X	\$ 11.21	= Total Fee _____
Gross Sq. Ft.		
Office Space		
Net Addition X	\$ 14.96	= Total Fee _____
Gross Sq. Ft.		
R & D Space		
Net Addition X	\$ 9.97	= Total Fee _____
Gross Sq. Ft.		
Retail Space		
Net Addition X	\$ 13.95	= Total Fee _____
Gross Sq. Ft.		

Note: A sponsor's failure to comply with the requirements of Sections 313.5, 313.6 and 313.7 shall constitute cause for the City to record a lien against the development project in the sum of the in-lieu fee required under this ordinance, as adjusted under Section 313.6 (P. C. Sec. 313.9)

For Planning Dept. A/C #: 295002-60181(PCP001-01)

SAN FRANCISCO
PLANNING DEPARTMENT
CITYWIDE AFFORDABLE HOUSING FEE
COMPUTATION WORKSHEET
(Rates effective March 11, 1999)

Per City Planning Code Section 313:

- 1) This Fund is set up to provide City and County of San Francisco with the financial resources to develop citywide affordable housing exclusively for qualifying households (P. C. Sec. 313.12)
- 2) Per analysis of the OAHPP (Office of Affordable Housing Production Program) Formula prepared by the Dept. of City Planning in November 1994, in-lieu fees for new office construction shall be imposed on the sponsors of the development projects (P. C. Sec. 313.6) Project's Sponsors may also elect to satisfy requirement by contributing land to construct housing units (Housing units formulas varies depending on types of project space. See P. C. Sec. 313.5) For compliance, please also refer to P.C. Sec. 313.7)
- 3) This fee is applicable to any of the following developing projects with an Environmental Evaluation application filed on or after January 1, 1999 (P.C. Sec. 313.3)
 - a. Net addition of entertainment space > or = 25,000 sq. ft.
 - b. Net addition of hotel space > or = 25,000 sq. ft.
 - c. Net addition of office space > or = 25,000 sq. ft.
 - d. Net addition of research & development space > or = 25,000 sq.ft.
 - e. Net addition of retail space > or = 25,000 sq. ft.
- 4) The fee shall be collected by the City Planning Department but payable to "Controller of City & County of San Francisco". The fee is due prior to issuance of the first site or building permit.

COMPUTATION: (per P. C. Sec. 313.6)

Entertainment Space		
Net Addition X	\$ 10.57	= Total Fee _____
Gross Sq. Ft.		
 Hotel Space		
Net Addition X	\$ 8.50	= Total Fee _____
Gross Sq. Ft.		
 Office Space		
Net Addition X	\$ 11.34	= Total Fee _____
Gross Sq. Ft.		
 R & D Space		
Net Addition X	\$ 7.55	= Total Fee _____
Gross Sq. Ft.		
 Retail Space		
Net Addition X	\$ 10.57	= Total Fee _____
Gross Sq. Ft.		

Note: A sponsor's failure to comply with the requirements of Sections 313.5, 313.6 and 313.7 shall constitute cause for the City to record a lien against the development project in the sum of the in-lieu fee required under this ordinance, as adjusted under Section 313.6 (P. C. Sec. 313.9)

For Planning Dept. A/C #: 295002-60181(PCP001-01)

SAN FRANCISCO
PLANNING DEPARTMENT
CHILD CARE FEE
COMPUTATION WORKSHEET
(Fee Approved November 13, 1986)

Per City Planning Code Section 314:

- 1) The Child Care Capital Fund is set aside to be used solely to increase and/or improve the supply of child care facilities affordable to households of low and moderate income (P. C. Sec. 314.5)
- 2) This fee is only applicable to any sponsor of office and hotel development projects proposing the net addition of 50,000 or more gross square feet of office or hotel space (P. C. Sec. 314.3) This Section shall not apply to the following:
 - a. Any development other than an office/hotel development project
 - b. Project located on property owned by the U.S government or its agencies
 - c. Project located on property owned by the State of California or its agencies
 - d. Project located on property under the jurisdiction of the Port of S.F. or the S.F. Redevelopment Agency
 - e. Any office/hotel development project approved by the Planning Commission prior to the effective date of this Section (9/6/85)
- 3) This fee shall be collected by the City Planning Department but payable to "Controller of City & County of San Francisco".

COMPUTATION: (per P. C. Sec. 314.4)

\$ 1.00 per sq. ft. X _____ (net addition of gross sq. ft. office or hotel space) = \$ _____
(Applicable to net addition of 50,000 or more gross square feet)

Note: Project sponsor may elect to construct or provide a child-care facility on or near the site of the development project, either singly or in conjunction with the sponsors of other office or hotel development projects, or arrange with a nonprofit organization to provide a child-care facility at a location within the City, or pay an in-lieu fee (as computed above) to the City Controller which shall thereafter be used exclusively to foster the expansion of and ease access to child-care facilities affordable to households of low or moderate income. For detail requirements, please refer to Planning Code Section 314.4

For Planning Dept. A/C #: 290013-60181

11. Current and Planned Information Technology

- The Department's information technology function can be characterized in the following manner: (a) inadequate use of the Internet for a broad range of planning applications, (b) insufficient coordination and interface with the Department of Building Inspection's Permit Tracking System, (c) need for completion and documentation of the Parcel Information Database and other systems, and, (d) lack of sufficient management controls over input for certain key applications.
- The function of information dissemination to the public and other users of Departmental services is not a high priority of the Department, staff services are not accurately tracked and special fees are not adequately monitored and are not always collected on a timely basis. Users of the Department's information systems do not have written guides or instructions, the system is not protected from internal misuse or abuse, and the possibility exists of crucial information systems development activity being curtailed.

Overview of Department's Information Systems

Management of and support services for information technology in the Planning Department represents one-half of the Information Services division; the Public Information Center (PIC) accounts for the other half. Within the IS Section, OASIS, an acronym for the Office of Analysis and Information Systems, is the organizational sub-unit responsible for development and administration of all Departmental information systems. The Department's Work Program budget for this function in FY 2001-02 is \$1,158,000, covering 8.5 FTEs. This allocation applies primarily to personnel as the budgeted capital resources for information technology is \$500,000. The primary functions of OASIS include providing maintenance for all of the systems in the Department, training staff in computer use, expanding the information and data flow as well as enhancing access to information, and developing custom computer applications.

OASIS is responsible for maintaining 161 network personal computers, as shown in Exhibit 11.1. The exhibit shows the distribution of personal computers by organizational unit and the number of personal computers with access to the Department of Building Inspection's Permit Tracking System and the Internet.¹

¹ Exhibit 11.1 includes the distribution of 20 new replacement computers.

Exhibit 11.1
Personal Computer Distribution by Division and
Access to Internet and DBI's Permit Tracking System

<u>Division</u>	<u>Total</u>	<u>DBI Access</u>	<u>Internet Access</u>
Administration	21	1	7
Citywide Policy	29	1	29
Major Environmental Analysis	22	1	8
Neighborhood Planning: Northeast	12	2	3
Neighborhood Planning: Northwest	13	2	1
Oasis	11	5	10
Public Information Center	14	9	7
Neighborhood Planning: Southeast	11	2	2
Neighborhood Planning: Southwest	8	1	1
Code Enforcement	18	14	17
Zoning Administration	2	2	2
Totals	161	40	87

The OASIS unit has responsibility for developing and administering the Department's four primary applications: Parcel Information, Land Use, Time Accounting and Work Program, and Other Administrative. (Please refer to Exhibit 11.2, for schematic database diagrams). At the heart of the Department's automated information capability is the Parcel Information Data System (PIDS), a user-defined system on a local area network (LAN).² An added program module, the Case Editing and Intake Program (CEIP), was rolled out during the management audit. These two applications are currently stand-alone modules as are the other three that should be, but are not, integrated. The Parcel Information Database, much like the overall system, is a work in progress –not fully realized or developed, and many of the data fields remain unpopulated.³

The OASIS Unit's five-year plan is contained in a Department document entitled "Information Technology Present and Future Needs." It contains an abbreviated history of computer use and development in the Department, beginning with the Wang VS system, through the early 90s that saw installation of the first Local Area Network that ran DOS on IBM-compatible personal computers, and into the late 90s in which more powerful servers and personal computers were introduced along with the connection to DBI and the use of Windows and CCMail. The plan states that the Department is moving toward Web-based technologies today with that being the central way for navigating and operating PCs. Finally,

² The back end of PIDS is an Oracle database and the client application is a Delphi system.

³ In several instances where data was entered, there was no quality assurance mechanism or process in place to ensure its integrity as several discrepancies were discovered by the audit team.

the “plan” addresses future applications in the Department as well as perceived future needs and problems, including, but not limited to, new infrastructure, continuing training, security, additional technical expertise and new equipment. Unfortunately, the document lacks specificity regarding project task prioritization, implementation schedules and estimated costs. It should be updated to include these items.

Within the PIDS is the Enterprise Geographic Information System (GIS), a digitized aerial base map developed by the Department of Public Works that enables users to track or plot any parcel of land in the City and County of San Francisco with nothing more than Lot and Block numbers. Planning subscribes to this service at a cost of \$20,000 annually.

Many of the disparate but heavily used applications in the Department’s automated information system were designed primarily to support Neighborhood Planning, including the time and materials tracking module that is used by the other Divisions and is part of the Time Accounting module. Some planners have devised their own tracking spreadsheets to capture in one place their own specific activity in the different types of cases they handle such as project planning, complaints, miscellaneous permit applications, letters of determination, etc.⁴ Just as some of the current applications were developed in response to user needs, the described tracking spreadsheets is another good idea that the OASIS staff could implement on a department-wide basis if given the directive, priority and resources. The importance of the project being done by OASIS is to ensure a uniform application for use by all staff, and the appropriate safeguards and interface with the existing databases.

The Case Editing and Intake Program, referenced above, represents an enormous addition of information management capability that is now on the desk of every planner. For example, projects soon can be tracked by case number as well as by address and lot and block. Moreover, this particular database includes information on hearings, activity dates, payments and balances due, activity history, permit(s) status, project usage details, and project contacts. Currently, all of this information for any given project or property is not available together electronically.

Prior to this audit, there was very little documentation of the system’s discrete databases or their linkages, either as user guides or for necessary technical support by OASIS staff. Most of the technical details of internally developed applications resided in the memory and working papers of the staff who developed them. There was no technical documentation for the technicians and no instructions for anyone on how to use the system. Work is now in progress on developing both sets of documentation. Similarly, OASIS has not yet focused on implementing technology applications for productivity improvements in planning, such as Internet access to application status or filing. Both of these remain areas of critically needed improvements.

⁴ Tracking the progress of applications is necessary because of deadlines established by statute and as Departmental performance measures.

Exhibit 11.2
Schematic of Planning Department Databases and Linkages,
Showing Functions of Databases

Planning Department Databases

Parcel Information

(keyed on block and lot numbers, as well as ID)

- Property address, square footage, ownership, zoning
- Case Tracking
- Permit Tracking (from DBI)
- Block Book Notations
- Parcel Event Tracking
- Notices of Special Restriction (NSR)
- Historic Resources ratings
- Non-conforming Uses (NCU)
- Miscellaneous Permits
- Sanborn maps
- GIS Basemap (from DPW)

Time Accounting and Work Program
 (keyed on employee, work date and account number)

- Payroll Signing Records
- Daily billings to accounts
- List of accounts
- List of program areas
- List of divisions
- Employee table
- Payrate history by employee

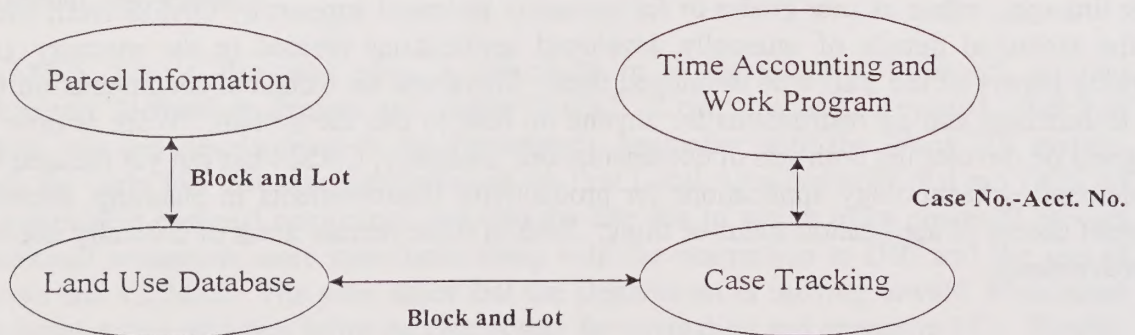
Land Use Database

- List of business by address
 (from Dun & Bradstreet)
- Land Use table
 (based on Business table)

Other Administrative

- Departmentwide Mailing List
- Vehicle, room and equipment reservations

Linkages Between Databases



Issues Involving the Department of Building Inspection (DBI)

The Planning Department's principal offices are co-located with the Department of Building Inspection (DBI), and Planning's Public Information Center and DBI staff share physical working space. Of greater importance, the two staffs share access to the DBI Permit Tracking System, which is specifically for building permits. As shown in Exhibit 11.1 above, some planners have access to this system for carrying out their plan-check activities. Issues associated with this system are discussed below.

The Controller has recommended that the Planning Department collect certain special fees directly.⁵ To do this will require further system capacity expansion. Currently, the Planning Department has read-only access to the DBI Permit Tracking System that is used for building permit processing (and the corresponding fee collection). While the read-only aspect will not change with expansion, two-way read access would then be possible (it is one-way at this time).

Both DBI's Permit Tracking System and the Planning Department's Parcel Information System run on the Oracle Database platform. However, true and reciprocal interactivity, two-way read and write capability, is precluded because the systems currently run on different versions of the Oracle software: DBI = Version 8.17 and Planning Department = Version 8.15.

DBI's Permit Tracking System is an internally developed system and, therefore, expansion and interconnectivity with Planning's PIDS are not restricted because of licensing issues. The issue for DBI in this regard is security in light of the fact that every planner currently has access to the PIDS. The overarching issue is integration and management of the information pertaining to the overlapping permit functions, assuming that all of the technical concerns are satisfactorily resolved for both departments. Eventually, internet access to permit tracking will also require integration between the two departments' systems.

Specific Problem Areas

Funding

The Department had only \$70,000 budgeted for information technology as recently as a year ago. It was not possible for the Department to acquire anywhere near the amount of needed equipment for upgrades, server storage capacity expansion, and application licenses on such a budget. Thus, obtaining an appropriation for \$500,000 in the 2001-02 budget provided a significant increase for these purposes. At this time, however, \$269,000 of the \$500,000 was placed on reserve by the Board of Supervisors in FY 2001-02 pending the Department's completion of permanent Industrial Protection Zone (IPZ) controls.

⁵ Included among these special funds are Affordable Child Care, Citywide Affordable Housing, and the Downtown Park Fund. Another special fund is Transit Impact Development Fee, but it is unclear if the Controller wants this collected by Planning.

With the remaining \$231,000 in the current-year budget, plans now include (a) upgrading another 20 personal computers and approach the goal of providing one upgraded PC for each professional employee in the Department (to replace outmoded equipment), and (b) increase the server's total storage capacity to 500 gigabytes by March 2002, a move that will greatly enhance the system capabilities and facilitate increased staff utilization without the system failures previously experienced due to the lack of sufficient capacity. This set of important improvements addresses the Department's immediate condition. However, it falls short of any future needs for advancing to an environment of Web-based technologies. Deficiencies of the Five-Year Plan are underscored by this situation. The plan must be elevated from its current state and, along with the level of specificity referenced above, include cost/benefit analyses of strategies and equipment purchases to ensure the availability of funds considered to be necessary for successful implementation.

Storage Capacity

The Citywide Policy Analysis Unit generates the highest demand for network support in the Department resulting in a need to increase the Department's server storage capacity. This is attributable in part to this Division's use of the GIS and presentation applications such as PowerPoint, and the volume of analytical work performed. The Citywide Policy & Analysis Unit is comprised of approximately 20 percent of the staff, but utilizes roughly 50 percent of the Department's information system resources.

As a general standard, storage in excess of 80% of capacity increases the potential for a system failure. The server at 1660 Mission Street currently has 125 gigabytes (GB) of data within a storage capacity of 152 GB (82% utilization). Conversely, the newly replaced server at 30 Van Ness has 26 GB of data within 103 GB of storage (25% utilization). Thus, the Department's system's total current storage capacity is 255 GB with an overall utilization rate of 59%, a deceptively low rate when considering that it does not reveal the underlying problem of uneven distribution and utilization rates at the two separate locations. Until recently, significant amounts of staff time were expended on the repair of frequently occurring crashes that resulted from a lack of storage space.

Capacity problems similarly impacted the use of "ccmail" and, therefore, current plans also include upgrading the system to "Lotus Notes" by not later than the last week in May and the first week in June.

Internet Access

With emerging Web-based technologies, the Planning Department will be able to change the manner and level of service it provides. First, there is the provision of internal services for the Department's staff through an Intranet. Telecommuting will become more of a possibility, meeting scheduling will be enhanced, Decision Document Generator⁶ activity can occur across units and Commission calendars set, procedures manuals can be stored and accessed as a series of web documents—all of these done electronically. The second level is

⁶ This is a program for staff report preparation and approvals.

Internet-style computing that accommodates access to the Department's databases by property owners, real estate brokers, architects, contractors, other governmental agencies, neighborhood groups, environmentalists, academics, news media and consultants. Accessing forms online, now possible from the Department's web site, would be easily overshadowed in terms of usage by the ability to file applications and track permits online. While many of these applications currently are in use in other jurisdictions, their development and implementation are slow in the Planning Department because the Department's information technology plan lacks priorities and timetables and because Internet access must be coordinated through an outside agency.

The Planning Department is dependent on the Department of Telecommunications and Information Services (DTIS), which is responsible for the City's overall information systems coordination—for interactive Internet access to serve planning customers.⁷ The Planning Department's relationship with DTIS is viewed as promising in terms of technology. However, little has occurred to date in the way of delivered services except that connectivity on the large-capacity, high-speed T1 line works better now than before and especially at the 30 Van Ness location for Planning's Major Environmental Analysis Division, also served by OASIS.

To realize the full potential of the Department's information technology infrastructure and improve public access to planning information and services, Internet access is essential. Thus, the Department must ensure that it is fully prepared internally to implement the Internet connection, and then do whatever is necessary to see that DTIS prioritizes and carries out its part of the process. It is unclear at this time whether existing resources can be reallocated to cover any associated cost or to what extent additional resources may be required. OASIS is moving aggressively in the Web-based technologies area to be positioned for effective collaboration with DTIS whenever resources, both capital and technical, are made available. Once again, the importance of enhancing the 5-year information technology plan is brought into sharp focus. A crucial part of the document must be the strategic approach to IT implementation for meeting future planning service demand. This will help to define and clarify the roles of both departments, thereby maximizing opportunities for a harmonious and successful working relationship.

Management Controls

There are two specific uses of the Department's automated information system that are cited here as illustrative of the scope of absent controls: The Parcel Information Database and Time Accounting.

The Parcel Information Database contains a broad range of specific information on each piece of property in the City, all of which is keyed to lot and block numbers. This is one of the major resources used by the entire planning staff and often used by members of the public. Staff members in the Neighborhood Planning unit make entries for this database including key dates and project milestones. However, there is no stipulation for management

⁷ Internal Web access is available for planning staff through the wide-area network using DCP's web browser.

review or auditing of these entries. Key case tracking data, such as environmental review action dates, were found missing for numerous parcels, as discussed in Section 6 of this report.

The Time Accounting system is linked to payroll and it allows –indeed, calls for—individual planners to make their own timekeeping entries. Management reviews these entries *after* they are returned from the Controller’s Office (centralized City payroll), but no approval or validation occurs on the front end –there is no before-the-fact authorization of time charges.

These are two of the largest and heaviest-used applications in the Department. The absence of any system documentation, user guides or stipulations for management approval and quality assurance is a condition the Department can ill-afford to endure.

Specific Complaints

The OASIS Section has established an Information Services “help line” to provide technical assistance to Planning Department employees on an as-needed basis. Calls to the help line are reviewed and cleared daily. A “problem board” was created for use at the Major Environmental Analysis unit location (30 Van Ness Avenue) to identify IS problems for OASIS action. Also, the OASIS Manager meets regularly with Team Leaders to discuss specific IS needs and concerns. And, of course, the OASIS unit remains accessible for support by telephone, email and memorandum. Provided below are the current objectives for the OASIS organization as reported by the Manager.

- Ensure system satisfaction for all Planning Department users and the IS staff;
- For all service requests, immediately advise users of the nature of their problem, the proposed solution, and the time frame in which the solution will be accomplished;
- Provide improved document management services for the Planning Department;
- Obtain sufficient physical space;⁸
- Establish a web version of the Parcel Information Database;
- Upgrade all equipment and interconnectivity within the Department;
- Increase the IS budget to include licensing for 150 copies of a necessary system application (currently, only 50 licensed copies);
- Maintain updated security and virus protection; and
- Expand the Department’s use of Internet access.

Regarding OASIS’s awareness and handling of specific complaints, the audit team’s investigation uncovered examples that showed the unit to be generally responsive. However, the audit team also found that four of the six focus groups cited specific issues with the OASIS unit, none of which were complimentary. Among the issues cited were the often unworkable and difficult to access computers, ineffectual technical support, the need for greater access to the Permit Tracking System, poor maintenance of the large-capacity high-

⁸ DCP’s Administration unit uses the IS Manager’s office to store materials and supplies!

speed server line, and the abrasive personality and unresponsiveness of some OASIS staff members.

The views expressed by focus group participants stand in sharp contrast to the OASIS objective of prompt internal service and its intended level of responsiveness. However, those views also beg the question of communications between OASIS and the other units. The audit team found that while some of the concerns expressed by focus group participants are indeed technical in nature, the preponderance of concern appears related to the attitude of certain—not all—of the staff members in OASIS. This poses a serious challenge for the unit manager to overcome in order to effectively apply the unit's technical expertise for improvements in the delivery of planning services.

Conclusion

The Department's automated information systems has enormous technological capability that is not fully developed, it is not appropriately integrated with the DBI system, and it does not contain enough of the applications that would be considered useful to the planning staff such as user guides and application tracking. Most important, the Department is not currently using any interactive applications of its technology for public use or customer permit processing and tracking.

The Department is dependent upon the City's Department of Telecommunications and Information Services for interactive Internet access to serve customers, although internal Web access is available for planning staff through the wide-area network using the Department's web browser. On-line public access to planing and zoning information filing development applications and permit tracking would be the single most effective productivity improvement the Department can make at this time.

Planning's information systems technology is in place for limited internal use in various applications, but there is none-to-little user documentation and even less in the way of management controls and oversight. OASIS has prepared "Information Technology Present and Future Needs," a document that delineates its near-term requirements, objectives and schedule, but needs more detailed information on each of these areas and further updating to reflect prioritized projects and needed resources.

Notwithstanding the deficiencies cited above, the Budget Analyst believes that the Department is en route to a breakthrough in technology applications that will enhance staff productivity and substantially improve planning service and information access to the public. These outcomes can be realized by implementing specific measures delineated below.

Recommendations

Based on the above findings, it is recommended that the Director of the Planning Department:

- 11.1 Continue with strong commitment to the information technology function and ensure an appropriate level of dedicated financial support based on an updated Five-Year Plan that:
 - a. reflects short-term emphasis on working with the Department of Telecommunications and Information Services to expand internet access (for filing applications and tracking permits online, and allowing access to the Department's various databases).
 - b. includes specificity regarding the strategic approach to information technology and planning, project task prioritization, implementation schedules, estimated costs, and cost/benefit analyses of strategies and purchases.
 - c. prioritizes information technology projects to reflect mission-critical needs, consistency with Departmental goals and objectives, and necessary service enhancements.
- 11.2 Develop a timetable to accelerate the completion of all system documentation;
- 11.3 Prepare simplified user guides for staff and users of the Public PC;
- 11.4 Work with the Department of Building Inspection to ensure that compatibility of software versions and all issues of security are resolved so that interface with the Permit Tracking System is implemented before the end of this fiscal year;
- 11.5 Develop and install appropriate management and quality controls of Department applications to minimize erroneous content as well as system misuse and abuse;
- 11.6 Implement a schedule of training classes necessary to ensure the appropriate information technology proficiency for all levels of staff, including planners, support staff and IT staff; and,

- 11.7 Implement an annual staff customer satisfaction survey for the Information Services function and incorporate the results in the annual performance evaluation of the I. S. Manager.

Costs and Benefits

The resources necessary to implement the above short-term recommendations are believed to be contained within the Information Services Section budget. Future costs such as greater internet access will likely incur additional one-time costs. Prioritizing tasks and staff assignments will necessarily result in changes from the current course of action. Correspondingly, benefits are fully expected to include increased productivity and efficiency of staff, expanded public access, and greater overall customer satisfaction with the delivery of planning services.

Training

Training will be provided for staff in the Information Services Section to ensure that they are up-to-date on the latest technology and software. This will be done through a combination of in-house training and external training. The training will be provided on a regular basis to ensure that staff are always up-to-date on the latest technology and software.

The budget for training is estimated to be \$10,000 per year. This will be used for in-house training, external training, and travel expenses. The training will be provided on a regular basis to ensure that staff are always up-to-date on the latest technology and software.

External Training

External training will be provided for staff in the Information Services Section to ensure that they are up-to-date on the latest technology and software. This will be done through a combination of in-house training and external training. The training will be provided on a regular basis to ensure that staff are always up-to-date on the latest technology and software.

12. Training

- While the Department maintains a strong internal technical training program pertaining to current planning and several employees believe that training overall is well done, many others are unaware of any training activity or of benefits available through labor negotiations. Still others see training as accessible only to “favored” employees and as funded by the non-profit support group for the Planning Department, “Friends of Planning.” The overwhelming single staff complaint was the lack of professional development opportunities as compared to the technical training in daily operations. It is important for the Department to support professional development activities because it demonstrates awareness of staff appreciation, can be used as a performance incentive, and funding outside the Department’s budget is available.
- This is an issue that adversely affects morale because the perception of a sizeable number of employees is of an inequitable distribution of a benefit that should be equally available to all. Many employees in this Department hold advanced degrees and want to further broaden their skill/knowledge base. Also, some view the funding of certain activities by the Friends of Planning as a situation in which staff generally should not participate because of a perceived conflict of interest. Use of such funding requires appropriate policies and procedures to eliminate any possible conflict and to ensure equitable and reasonable distribution of benefits across the entire Department.

Training

Training and employee/staff development are terms commonly applied to activities that improve skills and competencies of employees in order to increase operating efficiency and organizational effectiveness. Training represents an investment in the organization’s most important resource, its people, and is also viewed as a benefit to employees as they expand their repertoire of marketable skills.

The Budget Analyst examined three basic categories of training activities in this effort: external (technical) training, internal (technical) training, and staff development. Our findings in each category are discussed in the following section, along with the training-related feedback from the focus groups.

External Training

External training involves classes conducted outside of the Department and for which varying levels of recognition and support are available. Ostensibly, such classes are generally related to the work in which the employee is engaged and requires supervisor approval in advance in order to qualify for reimbursement.

A tuition reimbursement program was conducted through the Department of Human Resources in an arrangement with the University of California Berkeley Extension Program. This was a one-time, negotiated-benefit program with centralized funding outside of the Department's budget and a cap on the total amount available to the City over a two-year period. Exhibit 12.1 below shows the number of staff members by classification and organizational unit who participated in this external training over the 17-month period (beginning Summer Semester 2000) for which training records were available.

Exhibit 12.1
External Training Participation by Unit and Reimbursement

Organizational Unit	Number of People	# Different Classifications	# Classes	Reimbursed Amount
Administration	1	1	1	\$ 750
Information Services	3	2	7	7,175
Major Environmental Analysis	3	3	2	885
Citywide Policy Planning	6	2	9	4,220
Neighborhood Planning	<u>11</u>	3	10	<u>6,925</u>
Totals	24			\$19,955

In summary, 24 staff members (20% of the professional staff), in 7 different position classifications and representing all 5 organizational units, attended a total of 30 different external training classes and received \$19,955 in tuition reimbursement during a recent 17-month period. Participants in these technical training classes for the most part were planners and staff members in the Department's Information Services Division. The distribution by classification of employees who participated in external technical training is shown in Exhibit 12.2.

Exhibit 12.2
External Training Participation by Classification

<u>Position Classification</u>	<u>Number Trained</u>
5278 Planner II	7
5289 Planner III	8
5294 Planner IV	4
5283 Planner V	1
Other Classifications	<u>4</u>
Total	24

Some representative course titles are listed below for specific classes in this category of training and funded through this specific source.

- CAD for Designers
- Landscape Graphics
- Construction Technology
- Determining Federal Wetlands Jurisdiction
- Overview of Environmental Laws and Regulations
- Understanding Redevelopment
- Project Management
- Implementing MS Exchange

Although only a limited amount of funds was available for participation in this program, it appears that the Department made relatively good use of it. Among 140 FTEs, the 24 participants in this one-time program represent a respectable 17% of the staff. Access to the program was on a first-come, first-served basis. The Information Services Section is a small one and only three IS staff members attended seven different classes, but they utilized 36 percent of the total funds reimbursed to the Department. By way of comparison, only three of the Major Environmental Analysis Division staff members attended two different classes and utilized 4 percent of the total reimbursed funds. Beyond these anomalies, it appears that the Department's participation in the U.C. Berkeley Extension external training program was otherwise reasonably proportioned across organizational units and position classifications.

Internal Training

Technical training is conducted internally by and for the planning staff in the many analytical tools and processes that are essential to good planning. Given the enormous complexities of the San Francisco Planning Code, the Department's most extensive training regimen, managed by the Neighborhood Planning Division, is appropriately broad in scope and reflects a vigorous schedule. For example, from November 1999 through January 2002 (27 months), nearly 150 classes have been held. During this same period, another 92 classes were planned with unspecified dates. A sampling of class subject matter and specific types of training is listed below.

- Conditional Use Training
- Discretionary Review Training
- Evaluating Design Cases
- Variance Training
- New Legislation and Impact on Neighborhoods
- Electronic Tools Training, including but not limited to:
 - Parcel Database, Sanborn Map, Permit Tracking,
 - Electronic General Plan, Internet and Intranet,
 - Computerized Planning Code, Time Accounting and Workload Manager
- Presentation Skills
- Evaluating Height & Bulk Cases
- Historical Aspects of Zoning
- Environmental Training

The point of this level of actual and planned activity is that the Department conducts internal technical training sessions an average of from 5.3 times per month to as many as 8.7 times per month. Our examination indicates that an average of approximately seven classes per

month was the actual class frequency during this period with excellent attendance, averaging 10 to 15 employees per class.

Technical training in the Neighborhood Planning Division is vigorous because of demands imposed by the high volume of development applications routinely processed and the City's complex Planning Code.¹ The training is successful mainly because one staff member in the Division is responsible for coordinating it. Although some of the technical issues commonly addressed in other Divisions make their way into the Neighborhood Planning training curriculum, the full range of training needs in the other Divisions does not receive the same level of attention as those in Neighborhood Planning due to their lack of dedicated training coordinators. In addition, the training needs of the other divisions generally are not seen as being as challenging as they are in Neighborhood Planning. An example of unresolved concern in training includes the practice of "sink-or-swim" service provision versus assigning persons to work in the Public Information Center only after they are properly trained. While this applies to all Divisions and not solely Neighborhood Planning; the impact is more pronounced in Neighborhood Planning because of the Planning Code complexity.

Staff Development

Staff Development activities are those best described as generally non-technical training in terms of day-to-day operations and other experiential learning that occur within the broader conceptual framework of the professional planning discipline and its many related subtopics. These activities are often viewed as intellectually and career-enhancing types that ensure participants remain current with state-of-the-art planning theory and practice. Some employees typically tend to think of staff development as an employer's way of rewarding exceptional performance while many other employees see it as an employer's method for investment preservation and appreciation. The Department benefits in reputation and returned commitment from having leading professionals on staff who feel they are valued.

In addition to the training funds in the Department's annual appropriation, the City and County of San Francisco provides other means to underwrite the cost of employee training and development activities. Many planners are not aware of the availability of these resources, an important finding by the audit team.

While the different perspectives described above hold more commonality than disparity, the levels of managerial commitment, organizational sophistication and, most importantly, financial resources determine the effectiveness of a given staff development program. Public-sector agencies do not always have the ability to implement them, especially over long periods and in times of economic uncertainty and downturns. There are two major exceptions to this in the Planning Department: (1) benefits negotiated through labor representation, and (2) Friends of City Planning.

¹ For example, there are more than 80 different zoning districts in the City.

Negotiated Benefits

Planners in the City and County of San Francisco are represented by the INTERNATIONAL FEDERATION of PROFESSIONAL and TECHNICAL ENGINEERS, LOCAL 21, AFL-CIO. The memorandum of understanding between Local 21 and the City for 2001-02 and 2002-03 contains the following section:

IV.A. EMPLOYEE DEVELOPMENT FUND

The City shall budget \$250,000 during each year of this agreement for employee training, education and development.

Until such funds are exhausted, and subject to approval by the appointing officer or appropriate designee, an employee may utilize up to a maximum of \$1,000 per fiscal year for tuition, internal or external training programs, professional conferences, professional association memberships and desired licenses relevant to the employee's current classification. Solely at the discretion of the appointing officer or designee, such funds may be supplemented with department funds budgeted for training.

These funds may not be used for travel, lodging or food. Unused funds shall not carryover beyond the expiration of this MOU.

Employees shall not be required to utilize these funds for Department-mandated training.

Thus, about 90 Department employees represented by Local 21 have access to funding outside the Department's budget for staff development activities through this negotiated benefit. Our examination revealed through the focus group sessions that only a relatively small number of represented employees was aware that this benefit is available. This was unfortunate in light of the general sentiment that not enough is done in the area of staff development.²

Friends of San Francisco City Planning

The Friends of San Francisco City Planning is a California Nonprofit Public Benefit Corporation dedicated to providing financial support to the Department in areas of need that are not or cannot be funded through the Department's regular budget. Many—but certainly not all—of the participants in and donors to this organization are persons who are served by the Department or require departmental approval for any number of development projects.³ The Friends host an annual dinner as the primary source of contributions. Approximately twice each year, in response to an email solicitation to all staff, proposals are forwarded by

² Please refer to the section on Training Feedback from Focus Groups, below.

³ Included among this class of participants are project owners, project representatives, builders, contractors, architects, attorneys, etc.

staff members to the internal Liaison for the Friends. The Liaison packages the proposals administratively, then forwards them to the Director of Planning who makes the final selection(s) –with modifications as deemed appropriate—and submits it/them to the Friends for approval and funding.⁴ The Friends fund special projects and programs that fulfill the following criteria:

1. The planned activities support one or more of the following objectives:
 - Professional Development, including but not limited to dues for professional associations, professional training, professional publications, conference registrations and related expense.
 - Public Education, including development of educational materials or other public information projects and public workshops that enhance the public's understanding of the role of the Planning Department and the planning process.
 - Equipment, Materials, Software, and Training, especially innovative research that enhances communication and information to the public.
2. The planned activity must be outside the scope of the Department's regular budgeted work plan or planning activities
3. The planned activities will create long-term effects after implementation.

One of the more notable and conspicuous contributions by the "Friends" is the public computer in the Public Information Center on the first floor at 1660 Mission Street. A less visible, but nonetheless notable contribution is funding for attendance at various conferences and seminars by selected staff members. Similarly, the group supplied funding for a series of technical professionals to come in and provide a series of lectures to Department staff, for a transportation periodical subscription, for a set of environmental reference documents, and for a hand-held height measuring device .

Department employees have mixed reactions to the use of "Friends" funding, in part due to perceived conflict of interest and, in part, because of the perceived unavailability of any alternative funding for staff development activities. Also, some employees believe that this specific funding is available only to so-called favored staff members. The audit team found evidence neither to corroborate nor to contradict that favoritism serves as a determinant in selecting grant recipients. However, the absence of written guidelines and procedures does not help the Department in administering this program. For more than 20 years various organizations have provided financial support to municipal agencies restricted by their access

⁴ Funding for each round of grants has averaged around \$20,000 over the past three years.

⁵ Funding for each round of grants has averaged around \$20,000 over the past three years.

to ad valorem funding.⁶ This is neither a conflict nor illegal. It is not unprecedented in the City and County of San Francisco.⁷ For the Planning Department the matter is compounded by the fact that the Department exercises regulatory authority over indirect benefactors who contribute to the Friends of Planning. Eliminating the perception of conflict will not occur quickly, but it can begin by establishing and distributing procedures for the selection of successful grants. Currently, there are none.

Training Feedback from Focus Groups

Another view of training adequacy was obtained through feedback in the various staff focus groups. One of the more significant responses in this regard pertained to professional development or, more accurately, the perceived lack of opportunities for it. Another significant one had to do with the appropriate type of training necessary for more effective utilization of the support staff.

Comments from the individual focus groups covered a wide spectrum of views and the audit team assembled them into the broad categories shown below with representative comments included for illustration.

1. Training policies and procedures are seen by staff as being adequate.
 - ☐ Management's support of training is much improved over the past;
 - ☐ Training, generally, is encouraged;
2. Actual training practice in the Department is seen by staff as being inconsistent.
 - ☐ Neither technical training nor procedural manuals are provided for the Citywide Planning Division;
 - ☐ Technical training provided in house is OK;
 - ☐ Allocate more time for training (interpreted as release time away from work assignments);
 - ☐ Many employees won't take money from the Friends of City Planning because they would feel soiled; however, things are so pathetic in terms of training resources that this is often the only source for training activities that are desperately needed;
 - ☐ Training is sometimes provided without any implementation follow through;
 - ☐ We didn't know these resources were available.

⁶ Proposition 13, approved by the California electorate in 1978, imposes a cap on the amount of ad valorem taxes and annual increases

⁷ An example is the Friends of Recreation and Parks.

3. There is a felt need for inter-divisional and functional cross training.

- ❑ There is no structure or integration between the Department's units, a matter that begs the question of procedures and requirements for inter-Divisional interaction and the concomitant training;
- ❑ Training occurs on an individual basis—there is no coordination or group emphasis;

4. Specific types of training are desired.

- ❑ Professional (career) development does not happen;
- ❑ Provide staff training for dealing with the public in such areas as making presentations, handling abusive applicants, etc.;
- ❑ Clerical Support staff seem intimidated by demands of the new technology and their impact on the staffs' evolving role.

This span of comments covers the major areas of concern cited by focus group participants and they are not listed in priority or rank order. However, they suggest that some steps can be taken almost immediately at virtually no cost to simply provide information to employees regarding available training and staff development resources. They also suggest areas in which management can take further steps to ensure an equitable distribution of training resources. Importantly, the training feedback from focus groups helped to identify areas in which the Department should conduct analyses of work processes to determine how they might be reconfigured to capitalize on available and emerging technologies. This is crucial as the Department moves toward the utilization of Web-based technologies in delivering planning services more effectively.

Conclusion

Technical training made available through external resources appears to be evenly used if not widely so in the Department. A vigorous technical training regimen is maintained in Neighborhood Planning because of dedicated staff resources, but the other Divisions do not enjoy this benefit to the same degree because they lack similar resources and their training needs are different but not as great. Staff development activities are seen as being from non-existent to available only to favorites. While many employees remain unaware of other resources available to them for staff development purposes, others decry the use of grants from the Friends of City Planning for this purpose. Other areas of unresolved concern in training include the practice of “sink-or-swim” service provision versus assigning persons to work in the Public Information Center only after they are properly trained⁸; cross training of planners in the different Divisions, particularly those involved in the area where policy and current planning converge; and all areas of technical service insufficiency identified by staff may not necessarily lend themselves to a training solution—it is possible that some could be remedied by administrative change.

⁸ This item is addressed more fully in the PIC section of this report.

Recommendations

Based on the above findings, it is recommended that the Director of the Planning Department:

- 12.1 Ensure that all classifications of employees are regularly made aware of the resources available and procedures required to access them for participation in the full range of training and development activities related to the various functional specializations of the Department;
- 12.2 Update the Department's policies and procedures as necessary to reflect and facilitate access to training and development resources;
- 12.3 Establish a policy clearly stipulating that all donations from the Friends of Planning must be of a nature and for products or services that benefit the Department as a whole and not just individuals;
- 12.4 Create the corresponding procedures to implement the policy in 12.3, above;
- 12.5 The Department should periodically review problem areas in the provision of technical services to determine where administrative or procedural modifications seem warranted as well as cost effective and possibly more appropriate than training solutions;
- 12.6 Examine ways in which effective functional integration and cross training can be achieved among the Department's major Divisions and implement a pilot program to accomplish this;
- 12.7 In the light of work process changes resulting from emerging technologies, evaluate the overall support staff function and determine how, if necessary, it might be restructured to ensure optimum utilization and effectiveness in the different Divisions; and,
- 12.8 Monitor the Department's training and staff development activities and report on them to the Planning Commission annually.

Costs and Benefits

The costs to implement the above recommendations are seen as negligible as no capital expenditure is necessary and the one-time administrative costs associated with the recommendations would be absorbed by the existing staff.

Benefits of the above recommendations would include updated policy and procedures, and improved communications and morale as well as an even better trained work force. Additionally, management can be seen as responsive to a specific concern voiced by rank-and-file employees.

13. Planning Code Enforcement

- The Planning Department has reconstituted and reorganized its code enforcement unit by allocating six positions to that function. In addition to a team leader and one clerical staff person, one planner is assigned to each of the four geographically-based quadrants within the Neighborhood Planning Division of the Department. Although this staffing level is significantly more than that dedicated for the decade of the 1990s, it is not sufficient to effectively manage the current backlog of Planning Code enforcement caseloads.
- As of March 5, 2002, the Code Enforcement unit had 732 active complaint cases, including 171 illegal signs, 147 illegal commercial uses, 121 building enlargements without a permit, 80 illegal units, 56 violations of approval conditions and others. However, only seven of 31 complaints newly recorded in February of 2002, were being investigated. Further, of 41 primarily recent Notice of Violation (NOV) reports referred from the Department of Building Inspection (DBI) to the Planning Department, none were in the possession of the Code Enforcement Unit. Thirteen of the 41 NOV cases were included in the Enforcement Unit's Complaint Tracking System, having been brought to the Enforcement Unit's attention through other means.
- According to the current Code Enforcement Manager, the Planning Department did very little Code Enforcement between 1988, the time of the previous Planning Department audit report, and 2000, and in fact, placed approximately 3,550 Planning Code complaint cases in an inactive status in 2001. The types of complaints included in the inactive status include all categories. The Code Enforcement Unit maintains lists of the inactive cases on notebook paper including the type complaint and other information, keyed to the address, but no electronic listing of the complaints, although the complaints were originally contained in an electronic database. Thus, planners in the Neighborhood Planning Division do not have ready access to the complete complaint history on applications being processed. Working with Code Enforcement planners, the Budget Analyst selected a sample of "inactive" complaint cases in order to determine the actual status of the case. Of 18 site visits to inactive case addresses, we were able to determine that at least nine Planning Code violations, primarily illegal dwelling units, still exist.
- The Planning Department has not obtained any Planning Code Enforcement fees since at least 1998, although fee recovery mechanisms exist for that purpose.

Mission and Organization

The mission of Planning Code enforcement is to investigate and resolve complaints relating to violations of the Planning Code. Section 4.105 of the 1996 City Charter, "Planning Commission," states, "The **Planning Department** (emphasis added) shall administer and enforce the City Planning Code." This general assignment of Planning Code enforcement to the Planning Department is in contrast to the 1932 Charter, as amended, which states "... a **zoning**

administrator (emphasis added) appointed subject to the civil service provisions of this charter who shall administer and enforce the zoning and set-back ordinances.” (Charter §7.502) However, this difference in Charter terminology has not changed the duties and responsibilities of the Zoning Administrator regarding enforcement because those duties, as elaborated in the Planning Code, continues to assign those responsibilities to the Zoning Administrator.

Planning Code enforcement is carried by a six-person Code Enforcement Unit, which includes a Code Enforcement Manager, four planners who are each assigned to one of four Neighborhood Planning quadrants, and a support staffperson.

Violation Abatement Process

In general terms the Planning Code violation abatement process is as follows:

- A complaint is received from another City Agency, a member of the public, or from a planning staff member
- The complaint is entered into the Complaint Tracking System by support staff and routed to the appropriate quadrant Code Enforcement planner, who assigns a priority to the complaint based on both general and neighborhood-specific priorities. Currently, neighborhood quadrant specific priorities¹ are as follows:
 - Northeast – Illegal Signs
 - Northwest, Southeast, Southwest, – Non-permitted commercial uses in residential areas
- The enforcement planner confirms the violation through a site visit of the exterior of the complaint address or, if more information is needed, the planner sends a **Notice of Alleged Violation** to the property owner.
- The enforcement planner prepares and sends a **Notice of Violation**, signed by the Zoning Administrator, if there is evidence confirming a violation. The **Notice of Violation** has a 15-day appeal period.
- The property owner or operator either (1) provides evidence of no violation, (2) removes the violation, (3) files a building permit or other application to remove the violation, or (4) does not comply with the **Notice of Violation**.
- In cases of non-compliance, depending on the nature of the violation, the Zoning Administrator refers the case to the City Attorney or, if a violation of a conditional use authorization is involved, the Zoning Administrator initiates a revocation hearing.

¹ The Planning Department established Planning Code violation priorities in general and for each geographical quadrant in the first part of 2000 based on a work program study that included a survey of neighborhood organizations.

Code Enforcement Active Workload

As of March 5, 2002, the Code Enforcement Unit was carrying an active code enforcement caseload of 732 cases. Exhibit 13.1 below shows the number of violations by type and neighborhood quadrant.

Exhibit 13.1
Active Enforcement Cases

TYPE	NE	NW	SE	SW	TOTAL
Illegal Unit	0	18	12	50	80
Illegal Auto Repair	1	3	8	8	20
Illegal Commercial Use	19	41	48	39	147
Building Enlargement without Permit	11	35	22	53	121
Violation of Approval Conditions	23	16	5	12	56
Non-conforming Use/LCU Violation	0	3	0	3	6
Illegal Removal of Parking	0	3	1	5	9
Illegal Signs	46	54	53	18	171
Other Violation	<u>23</u>	<u>32</u>	<u>29</u>	<u>38</u>	<u>122</u>
Total	123	205	178	226	732

For the period of October 10, 2001, through March 5, 2002, the Code Enforcement Unit initiated and closed out approximately 20 cases monthly. However, for the period of May 23, 2001, through October 9, 2001, the Code Enforcement Unit initiated an average of 48 new cases monthly and closed out an average of 23 cases monthly. According to the Code Enforcement Manager, the reason for the high number of new cases in the earlier part of calendar year 2001 is due to public knowledge that complaints would be acted upon, which had not previously been the case.

Code Enforcement Inactive Caseloads

In addition to the current workload of approximately 732 active cases, the Planning Department has placed approximately 3,550 complaint cases in an inactive status. Some of these complaints were recorded in the early 1980s but never investigated. The Budget Analyst's audit report of the Planning Department in 1988 included the statement that the Planning Department had a backlog of approximately 4,550 complaint cases. At that time, accessions of new cases were significantly outpacing dispositioned cases. Further, according to the current Code Enforcement Manager, between the time of the last Planning Department audit in 1988 and the year 2000, the Planning Department did very little Planning Code Enforcement.

The types of complaints included in the inactive status include all categories. Currently, the case folders containing the complaint forms, letters, and various other paperwork are boxed and in storage. The Code Enforcement Unit has lists on notebook paper of the type complaint and address, keyed to the address, but no electronic listing of the complaints, although the complaints were originally contained in an electronic database. Thus, planners in the Neighborhood Planning Division do not have ready access to the complete complaint history on the applications being processed.

The Code Enforcement Manager is currently working with the Planning Department's Information Services Division staff to restore an electronically accessible database of these inactive cases. When the database is re-established, the Neighborhood Planning Division will be able to determine whether the case should be reopened and investigated.

When the Planning Department initiated its current efforts to reinvigorate code enforcement in late 1999, the decision was made to place all cases and complaints in an inactive status, with the exception of approximately 30 high priority cases. In this regard, the Zoning Administrator reported in December 9, 1999, memorandum to the Planning Commission that "Currently, the Department has approximately 30 active enforcement cases being pursued. As previously stated, approximately 3,550 complaints are contained in the inactive category. In order to determine the approximate rate of continuing Planning Code violations included in the inactive case population, the Budget Analyst selected 18 such cases. Working with the Code Enforcement Unit planners, we determined from site visits observing the exteriors of inactive complaint addresses that a minimum of nine of the 18 complaints, some ranging back to the 1980s, were still active.

Code Enforcement and Cost Recovery

Planning Code Section 176. "Enforcement Against Violations"

Section 176 of the Planning Code, entitled "Enforcement Against Violations," provides that any use, structure, lot, feature or condition in violation of the Planning Code is unlawful and a public nuisance and empowers the Zoning Administrator to enforce the provisions of the Planning Code by serving notice, calling upon the assistance of the City Attorney, the District Attorney, and the Chief of Police. Section 176 provides for civil penalties of up to \$500 for each day the violation

was committed or permitted to continue and criminal penalties of up to \$500-and/or up to six months imprisonment. Regarding the criminal penalties, each day the violation is committed or permitted to continue constitutes a separate offense.

The monies that would be collected under Section 176 of the Planning Code are payable to the City Treasurer. The Office of the City Treasurer has no record of having received any monies paid under the provisions of Planning Code Section 176.

Planning Code Section 350(c). "Time and Materials"

Article 3.5 of the Planning Code covers fees. Section 350(c)(2), states:

Applications with verified violations of this Code shall be charged time and materials in excess of fee for renotification, investigation and research relating to processing applications, where the applicant has failed to respond fully, and within the time requested, to a notice of incomplete application citing the code violations with direction for their correction, not to exceed five times the amount of the initial fee.

Our discussions with the City Attorney and the Zoning Administrator have yielded the following summary of the foregoing provision: work performed by Planning Department staff in response to an application (conditional use, building permit, variance, etc.) filed in response to a verified violation enables the Planning Department to charge up to five times the initial application fee for actual time and materials expended.

However, in spite of the foregoing provision and the fact that there have been many applications filed and processed by the Planning Department in response to a violation of the Planning Code, the Planning Department's financial records show that no time and materials collections have been made since at least 1998.

The Code Enforcement Manager reports that the Code Enforcement Unit is currently designing procedures to charge time and materials costs, as allowed by § 350 (c) (2) of the Planning Code. Further, improved coordination between the Department of Building Inspection and the Planning Department on Notices of Violation should enable the Planning Department to recover some costs associated with abating certain Building Code violations.

Planning Code Section 610. "Violation of General Advertising Sign Requirements"

In May of 2001, the Board of Supervisors passed and the Mayor signed legislation enacting Section 610 of the Planning Code, providing penalties for violations of regulations governing general advertising signs: The penalties provided by Section 610 are in addition to those set forth in Section 176 of the Planning Code, previously discussed.

Section 610 provides for the Director of Planning to “impose administrative penalties for violations of the regulations governing general advertising signs set forth in this Article...” Section 610 provides a process for the Director of Planning to serve notice to both the property owner and the company that installed the sign (the “Responsible Parties”) describing the violation, stating that the Responsible Parties have up to five business days to remove the sign or be subject to penalties, the amount of the penalty and fees to be imposed, and notifying the Responsible Parties that they have the right to request the Director’s reconsideration by filing such a request within 15 business days of the date of the notice. Section 610 provides administrative penalties against the Responsible Parties of at least \$1,000 but not in excess of \$2,500 per day, per violation, per Responsible Party. The “Planning Code Enforcement Fund” is the designated repository of any collected penalty fees.

The Planning Department’s experience in implementing the provisions of Section 610 is that although violators will use the appeal provision of the Section to delay having to remove the sign, Section 610 is effective in getting the signs removed. According to the Code Enforcement Unit, no owner of a sign notified of the provisions of Section 610 has maintained the sign into the administrative penalty phase.

However, the provisions of Section 610 cover general advertising signs only. Members of the Planning Department have suggested that other violation types, principally those readily verified, could be added to the violation abatement processes of Section 610, and that the result would be enhanced compliance with Notices of Violation. Violation types suggested are illegal auto repair facilities, illegal commercial uses, and illegal removal of parking. The Budget Analyst is of the opinion that adding such violations to the Section 610 processes could be of valuable assistance to violation abatement and that the idea should be thoroughly investigated, and implemented if found sound.

Code Enforcement Effectiveness

The 1988 Planning Department audit report includes the statement “the Violation Abatement Section must review all building permit applications filed in response to a Building Code violation to verify that the intended use does not also involve a Planning Code violation.” However, the Code Enforcement Unit is not currently performing that important task, due to insufficient staffing, as reported by the Code Enforcement Manager. The Code Enforcement Unit has performed without the services of the Northwest Quadrant Planner, who has been on an extended absence since January 2002. Also, the Code Enforcement Unit was assigned its own vehicle only toward the very end of the management audit fieldwork period.

Building inspectors routinely report violations of the Building Code, as a part of their normal duties. Many of these violations involve construction without benefit of a permit or construction in excess of that permitted. In response to such violations, the Building Inspector will file a Notice of Violation against the property.

The Notice of Violation (NOV) form has check boxes for indicating departments other than the Building Department, such as the Planning Department, the Fire Department, and the Department of Public Health that may have an interest in the alleged violation. In order to

determine the Planning Department's performance in processing the Notices of Violation from the Department of Building Inspection, we obtained a total of 41 Notices of Violation that had been referred to the Planning Department by the Department of Building Inspection.

Of the 41 Notices of Violation obtained from the Department of Building Inspection (DBI), none had been physically routed to the Planning Department Code Enforcement Unit. The Enforcement Unit did have complaints against 13 of the 41 addresses for the cited violations that had been obtained from means other than the referred Notices of Violations. Thus, the Planning Department's Enforcement Unit did not have any record of 28 of the 41 Notices of Violation, which included numerous citations for construction of illegal units.

In response to the foregoing, the Enforcement Unit Manager researched the process whereby NOV's are supposed to be delivered to the Enforcement Unit and determined that such NOV's have been delivered by DBI to the Planning Department's Planning Information Center on the first floor of 1660 Mission Street, and later distributed to the Neighborhood Planning Quadrants. According to the Enforcement Unit Manager, the Neighborhood Quadrant Team Leaders did nothing further with the NOV's, "expecting that they might ultimately get building permit applications related to the NOV's, unless they were approved over-the-counter."

In response to this finding, the Enforcement Unit Manager has instituted the procedure of having a member of the Enforcement Team retrieve daily from DBI copies of NOV's that contain a Planning Department referral. If executed, this procedure should insure that referred NOV's are physically delivered to the Planning Department's Enforcement Unit.

As a result of reviewing the referred NOV's, the Enforcement Unit Manager observed that most of the NOV's were referred by approximately 20 percent of the Building Inspectors, mostly those with considerable experience. Therefore, the Enforcement Unit Manager has arranged to provide a training session on Planning Department interest in NOV's to DBI's District Building Inspectors on April 11, 2002.

As another example of the relative ineffectiveness of the current Planning Department's Code Enforcement program, of 33 new complaint cases opened in February of 2002, only seven were being worked on as of March 22, 2002.

In order to attain a steady state condition with respect to servicing newly opened complaint cases, service the existing backlog of approximately 732 active cases, and bring a measure of control to the existing approximately 3,550 inactive complaint cases, the Planning Code Enforcement Unit needs additional resources. We estimate that the Enforcement Unit would need an additional four planners and additional vehicles for approximately a two-year period in order to achieve control of its existing workload and new accessions. The annual cost of a Planner II at the top step is approximately \$79,279, including mandatory fringe benefits. The annual cost of a Planner III at the top step is approximately \$94,025, including mandatory fringe benefits. Thus, the annual cost of two Planner II positions and two Planner III positions would be approximately \$346,608. The current cost of a mid-size, clean air vehicle is approximately \$26,000, including taxes. Therefore, the cost of two such vehicles would be approximately \$52,000.

Before adding this level of additional staffing to the Department, even though they would be of limited tenure, the Department should first begin collecting code enforcement related fees such as those authorized by Planning Code Sections 176 and 350.c to begin to generate new revenues that would cover the costs of these limited tenure positions. As new revenues become sufficient to cover these costs, the limited tenure positions could be phased in.

Notices of Special Restrictions

A Notice of Special Restrictions (NSR) is a legal recording with the Recorder's Office of some sort of restricted use against a property. NSRs serve to inform current owners and future owners of properties as to limitations on uses of properties. NSRs are used in conjunction with Planning Commission cases, such as conditional use approvals and discretionary reviews of building permit applications to record conditions of approval and special restrictions. NSRs are also used by the Zoning Administrator to record restrictions against variance approvals and, to a much lesser degree today than in the past, by the Neighborhood Planning Division to record restrictions or limitations against building permit applications.

Shown in Exhibit 13.2 is the number of NSRs recorded by the Planning Department for the years indicated, beginning in 1981.

Exhibit 13.2
Number of Notices of Special Restrictions Recorded

Year	Number	Year	Number
1981	275	1992	888
1982	231	1993	1,026
1983	403	1994	1,035
1984	464	1995	1,024
1985	519	1996	1,016
1986	704	1997	253
1987	951	1998	175
1988	805	1999	208
1989	921	2000	169
1990	1,077	2001	206
1991	880	2001 ²	45

For the years 1989 through 1996, the Planning Department recorded an average of 983.4 NSRs. However, for the years 1997 through 2001, the average number of NSRs recorded dropped to 202.2, a reduction of 79.4 percent.

² Through March 8, 2002.

According to the Zoning Administrator, the reason for the precipitous reduction is that a previous Zoning Administrator decided that the time involved in developing restrictions and the administrative tasks in having them recorded was not worth the effort, because the Planning Department did not have the staff to enforce them. Therefore, beginning in calendar year 1997 and continuing to the present, NSRs are primarily required only for conditional use approvals, variances, and discretionary review conditions of approval. According to the Zoning Administrator, not requiring NSRs for interior modifications that don't enlarge the building envelope enables the Planning Department to process such applications "over-the-counter" at the Planning Information Center on the first floor of 1660 Mission Street, thereby improving service for building permit applicants.

However, the increase in service comes at a cost. According to DBI, complaints of illegal units are much easier to verify and abate if an NSR has been recorded against a property. Without the NSR, it is necessary for the DBI Building Inspector to perform extensive research concerning the legal construction of a building. The NSR provides straightforward, unequivocal evidence of what is permitted with respect to construction, which, for example, can lead to an illegal unit.

Conclusion

The Enforcement Unit of the Planning Department is insufficiently staffed to effectively manage the Planning Code enforcement workloads of new cases, servicing the current caseload of approximately 732 cases, and bringing a measure of control to the existing approximately 3,350 inactive complaint cases. We estimate that the Enforcement Unit would need an additional four planners and additional vehicles for at least a two-year period in order to achieve control of its existing workloads and new cases.

The Enforcement Unit, with the assistance of the Zoning Administrator and the Planning Department's Administrative Division, should develop processes designed to actively recover costs incurred, as provided in Section 350(c)(2) and Section 610 of the Planning Code. Moreover, the Planning Department should seek to expand the scope of Planning Code violations subject to the processes developed for general advertising signs in Section 610 of the Planning Code. As new revenues are generated from these sources, they should be used to cover the costs of limited tenure staff to enforce the backlog cases.

The Enforcement Unit needs to ensure that it records each referred Notice of Violation that potentially includes a Planning Code violation.

The Planning Department should perform a cost-benefit analysis of requiring Notices of Special Restrictions on building permit applications that have the potential for abuse, as was the practice in earlier years.

Recommendations

Based on the above findings, we recommend that the Director of Planning:

- 13.1 Emphasize the Planning Code enforcement responsibilities of the Neighborhood Planning Quadrant planners in order to assist the Code Enforcement Unit in bringing Planning Code enforcement under control;
- 13.2 Ensure that the Code Enforcement Unit properly processes all Notices of Violations referred by DBI;
- 13.3 Ensure that existing means of cost recovery for code enforcement activities are pursued vigorously;
- 13.4 Investigate the feasibility of obtaining new legislation to expand the types of Planning Code violations subject to the violation penalty fees, similar to those now charged for advertising sign Planning Code violations;
- 13.5 As new revenues are generated from the code enforcement fees recommended, temporary staff positions should be added to clear backlog cases to the extent their costs are covered by new fee revenue;
- 13.6 Conduct a review of the benefits and costs of requiring Notices of Special Restrictions on building code permits that have the potential for abuse, as was done in the recent past.

Costs and Benefits

The costs of implementing the above recommendations would primarily be staff time. The cost of salaries, mandatory fringe benefits, and vehicles to provide the Enforcement Unit of the Planning Department with four temporary additional Planners and two additional vehicles would be approximately \$398,608. To avoid net new costs, these positions should be added only when revenues from the recommended code enforcement related fees are sufficient to cover these costs. Bringing Planning Code enforcement under control would be a major benefit to the City.

Appendix: Results of Survey of other Jurisdictions

Jurisdiction	Year	Source	Type of Survey	Sample Size	Response Rate	Key Findings	Comments
United Kingdom	2005	HM Revenue & Customs	Mail Survey	1,000	75%	Most respondents reported high levels of compliance with tax laws.	Survey conducted by HMRC as part of a wider review of tax compliance.
United States	2006	Internal Revenue Service	Mail Survey	2,000	60%	Respondents generally reported accurate reporting of income.	Survey focused on individual income tax compliance.
Canada	2007	Canada Revenue Agency	Mail Survey	1,500	70%	High levels of compliance with tax laws reported.	Survey aimed to assess public understanding of tax obligations.
Australia	2008	Australian Taxation Office	Mail Survey	1,200	65%	Most respondents reported compliance with tax laws.	Survey part of a broader initiative to improve tax compliance.
France	2009	Direction Générale des Impôts	Mail Survey	1,800	55%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Germany	2010	Fiskus	Mail Survey	1,600	68%	High levels of compliance with tax laws reported.	Survey aimed to assess public understanding of tax obligations.
Italy	2011	Agenzia delle Entrate	Mail Survey	1,400	50%	Respondents reported varying levels of compliance.	Survey focused on individual income tax compliance.
Spain	2012	Agencia Tributaria	Mail Survey	1,300	52%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Sweden	2013	Skatteverket	Mail Survey	1,100	72%	High levels of compliance with tax laws reported.	Survey focused on corporate tax compliance.
Netherlands	2014	Belastingdienst	Mail Survey	1,700	63%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Belgium	2015	Fédération Royale Belge des Sociétés de Médecins	Mail Survey	1,000	58%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Portugal	2016	Alfândega Nacional	Mail Survey	1,200	54%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Greece	2017	Ministry of Finance	Mail Survey	1,100	51%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Poland	2018	Urząd Skarbowy	Mail Survey	1,300	56%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Czech Republic	2019	Finanční správa	Mail Survey	1,400	59%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Slovak Republic	2020	Úrad pre daňovú správu	Mail Survey	1,200	53%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Slovenia	2021	Urad Republike Slovenije za davke	Mail Survey	1,100	57%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Croatia	2022	Državna uprava za posredovanje u oporezivanje	Mail Survey	1,000	50%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Bulgaria	2023	Национална администрация за данъци	Mail Survey	1,200	52%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Romania	2024	Administrația Națională de Încasare și Plăți	Mail Survey	1,300	54%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Ukraine	2025	Державна податкова адміністрація	Mail Survey	1,400	56%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Georgia	2026	საგარეო და შიდა საქონლისა და მომსახურებისა დატვირთვა	Mail Survey	1,100	51%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Armenia	2027	Հայաստանի Հանրապետության ԴԱՀ	Mail Survey	1,200	53%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Azerbaijan	2028	Əməkdar vəsaiti	Mail Survey	1,300	55%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Kazakhstan	2029	Қазақстан Республикасының Қаржы Министрлігі	Mail Survey	1,400	57%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Kyrgyzstan	2030	Министерство по налогам и сборам	Mail Survey	1,100	50%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Tajikistan	2031	Ҷамъияти Ҷамоатӣ	Mail Survey	1,200	52%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Uzbekistan	2032	Ўзбекистон Республикаси	Mail Survey	1,300	54%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Trinidad and Tobago	2033	Ministry of Finance	Mail Survey	1,000	50%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Jamaica	2034	Ministry of Finance	Mail Survey	1,100	51%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Barbados	2035	Ministry of Finance	Mail Survey	1,200	52%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Suriname	2036	Ministry of Finance	Mail Survey	1,300	53%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Guyana	2037	Ministry of Finance	Mail Survey	1,400	54%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Venezuela	2038	Ministry of Finance	Mail Survey	1,500	55%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Colombia	2039	Ministry of Finance	Mail Survey	1,600	56%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Peru	2040	Ministry of Finance	Mail Survey	1,700	57%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Ecuador	2041	Ministry of Finance	Mail Survey	1,800	58%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Venezuela	2042	Ministry of Finance	Mail Survey	1,900	59%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Bolivia	2043	Ministry of Finance	Mail Survey	2,000	60%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Paraguay	2044	Ministry of Finance	Mail Survey	2,100	61%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Uruguay	2045	Ministry of Finance	Mail Survey	2,200	62%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Argentina	2046	Ministry of Finance	Mail Survey	2,300	63%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Chile	2047	Ministry of Finance	Mail Survey	2,400	64%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Brazil	2048	Ministry of Finance	Mail Survey	2,500	65%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Costa Rica	2049	Ministry of Finance	Mail Survey	2,600	66%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Panama	2050	Ministry of Finance	Mail Survey	2,700	67%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Dominican Republic	2051	Ministry of Finance	Mail Survey	2,800	68%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Honduras	2052	Ministry of Finance	Mail Survey	2,900	69%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
El Salvador	2053	Ministry of Finance	Mail Survey	3,000	70%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Nicaragua	2054	Ministry of Finance	Mail Survey	3,100	71%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Haiti	2055	Ministry of Finance	Mail Survey	3,200	72%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Dominican Republic	2056	Ministry of Finance	Mail Survey	3,300	73%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Jamaica	2057	Ministry of Finance	Mail Survey	3,400	74%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Trinidad and Tobago	2058	Ministry of Finance	Mail Survey	3,500	75%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Suriname	2059	Ministry of Finance	Mail Survey	3,600	76%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Guyana	2060	Ministry of Finance	Mail Survey	3,700	77%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Venezuela	2061	Ministry of Finance	Mail Survey	3,800	78%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Colombia	2062	Ministry of Finance	Mail Survey	3,900	79%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Peru	2063	Ministry of Finance	Mail Survey	4,000	80%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Ecuador	2064	Ministry of Finance	Mail Survey	4,100	81%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Venezuela	2065	Ministry of Finance	Mail Survey	4,200	82%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Bolivia	2066	Ministry of Finance	Mail Survey	4,300	83%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Paraguay	2067	Ministry of Finance	Mail Survey	4,400	84%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Uruguay	2068	Ministry of Finance	Mail Survey	4,500	85%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Argentina	2069	Ministry of Finance	Mail Survey	4,600	86%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Chile	2070	Ministry of Finance	Mail Survey	4,700	87%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Brazil	2071	Ministry of Finance	Mail Survey	4,800	88%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Costa Rica	2072	Ministry of Finance	Mail Survey	4,900	89%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Panama	2073	Ministry of Finance	Mail Survey	5,000	90%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Dominican Republic	2074	Ministry of Finance	Mail Survey	5,100	91%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Honduras	2075	Ministry of Finance	Mail Survey	5,200	92%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
El Salvador	2076	Ministry of Finance	Mail Survey	5,300	93%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Nicaragua	2077	Ministry of Finance	Mail Survey	5,400	94%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Haiti	2078	Ministry of Finance	Mail Survey	5,500	95%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Dominican Republic	2079	Ministry of Finance	Mail Survey	5,600	96%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Jamaica	2080	Ministry of Finance	Mail Survey	5,700	97%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Trinidad and Tobago	2081	Ministry of Finance	Mail Survey	5,800	98%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Suriname	2082	Ministry of Finance	Mail Survey	5,900	99%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Guyana	2083	Ministry of Finance	Mail Survey	6,000	100%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Venezuela	2084	Ministry of Finance	Mail Survey	6,100	100%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Colombia	2085	Ministry of Finance	Mail Survey	6,200	100%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Peru	2086	Ministry of Finance	Mail Survey	6,300	100%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Ecuador	2087	Ministry of Finance	Mail Survey	6,400	100%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Venezuela	2088	Ministry of Finance	Mail Survey	6,500	100%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Bolivia	2089	Ministry of Finance	Mail Survey	6,600	100%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Paraguay	2090	Ministry of Finance	Mail Survey	6,700	100%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Uruguay	2091	Ministry of Finance	Mail Survey	6,800	100%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Argentina	2092	Ministry of Finance	Mail Survey	6,900	100%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Chile	2093	Ministry of Finance	Mail Survey	7,000	100%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Brazil	2094	Ministry of Finance	Mail Survey	7,100	100%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Costa Rica	2095	Ministry of Finance	Mail Survey	7,200	100%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Panama	2096	Ministry of Finance	Mail Survey	7,300	100%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
Dominican Republic	2097	Ministry of Finance	Mail Survey	7,400	100%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Honduras	2098	Ministry of Finance	Mail Survey	7,500	100%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.
El Salvador	2099	Ministry of Finance	Mail Survey	7,600	100%	Respondents reported varying levels of compliance.	Survey focused on corporate tax compliance.
Nicaragua	2100	Ministry of Finance	Mail Survey	7,700	100%	Respondents reported varying levels of compliance.	Survey aimed to assess public understanding of tax obligations.

Organization & Administration

	Austin, Texas	Baltimore, Maryland	Charleston , South Carolina	Los Angeles, CA	New Orleans, Louisiana	Oakland, California	Philadelphia, Pennsylvania	San Francisco, California	Vancouver, BC, Canada
Planning Function Organized		Stand- Alone	Two Department s ¹	Stand-Alone	Stand-Alone	Other ²	Stand-Alone		Other ³
Planning Commission Appointed By:	City Council ⁴	Mayor	Mayor	Mayor	Mayor	Mayor	Mayor	Mayor	Mayor
Is Approval Required?	No	Yes	Yes	Yes	Yes	Yes	No	Yes	No
Appointment Approval		City Council	City Council	City Council	City Council	City Council		Board of Supervisors	
Who selects the Commission Chair?	Commissi on	Mayor	Commissio n	Commission	Commission	Commission	Commission	Commission	Commission
Is Training Required For Commissioners?		Yes	No	No ⁵	No	No	No	No	No
Types of Training		General, Specific (General Plan and Planning Code), and Mmgt Training	Department Provides Training ⁶		Some Training ⁷	Some Training ⁸	General Training		
Other Appointed Bodies involved on Development Apps.		Housing & Community Developme nt	Several ⁹	Several ¹⁰	Several ¹¹	Several ¹²	Numerous	Landmark's Advisory Board, Board of Appeals, Board of Supervisor	Urban Design Panel and Developmen t Permit Board

¹ There are two separate departments: 1) Design, Development and Preservation; and 2) Planning and Neighborhoods.

² Community Development Agency - Planning is one of five divisions; 1) Planning, 2) Housing, 3) Redevelopment, 4) Economic Development, and 5) Building.

³ Community Services Group made up of the Planning Department, Development Services, Social Planning, Inspections and Enforcement, Social Planning, Office of Cultural Affairs, Housing Center, Non-Market Housing, and the Community based Gathering Place and Carnegie Center.

⁴ City Council (7 members including the Mayor) appoints the Planning Commission (9 members) and the Zoning and Platting Commission - ZAP (9 members).

⁵ Commissioners are not required to receive training but they are willing to do so. Depending on how many commissioners are appointed, at what time, and the extent of the training varies.

⁶ Department provides subscription to Planning Commissioners Journal for each member and various planning publications for commissioners.

⁷ Commissioners receive a 2 hour briefing, get support for national/state training/conferences, and hold a retreat every 8 months or so.

⁸ Commissioners are encouraged to attend League of Duties Training or the National APA Conference, as funds are available.

⁹ Board of Zoning Appeals-Site Design, Commercial Corridor Design Review Board, Board of Architectural Review and Technical Review Committee.

¹⁰ Director of Planning, a Zoning Administrator or Area Planning Commissioner

¹¹ Historic District Landmark, Board of Zoning Adjustments, Housing Conservation District Review Committee

¹² Zoning Administrator/Planning Director - 90% & Planning Commission 10%.

	Austin, Texas	Baltimore, Maryland	Charleston, South Carolina	Los Angeles, CA	New Orleans, Louisiana	Oakland, California	Philadelphia, Pennsylvania	San Francisco, California	Vancouver, BC, Canada
How often does the Planning Commission meet?	Every Other Week	Every Other Week	Monthly	Every Other Week	Every Other Week	Tri-Monthly	Monthly	Every Week	Weekly
Number of Decisions: Planning Commission		350	150	130	130-150	100	1800		
Other Body		1,600	2,676	4,500	150	1000	1500		
Staff Turnover for past two fiscal years			6%		0.2%	10%	16%		0.14%
Is Staff Time tracked on each Application?		No	Yes	Yes	No	No	No	Yes	
Is cost tracking system computerized?			No	Yes				Yes	
How are planning Application fees determined?		Housing and Community Development	Percentage of construction costs; Review of surrounding jurisdictions	Time and Materials	Time and Materials, CU	By City Council	Department of Licenses and Inspections	Time and Materials, Percentage of Construction Cost	
Community Input:									
a) regular Planning Commission Hearings		Highly Useful	Useful	Useful	Useful	Highly Useful	Highly Useful	Highly Useful	
b) Special Commission or Committee Hearings		Useful	Highly Useful		Highly Useful	Highly Useful	Highly Useful	Not Useful	Useful
c) Neighborhood Ombudsperson			Highly Useful		N/A		Useful	Not Useful	
d) Other		Zoning Appeals / Liquor Board	Community Meetings	Public Meetings	Email, Community Meetings		Community Meetings		Public Workshops
Process similar to Discretionary Review?		Yes	No	No	Yes	Yes	No	Yes	No
Name of Process		Site Plan Review			Design Review	Design Review		Discretionary Review	
No of Reviews		550			72	Varies ¹³		254	

¹³ Commission: 100 & Staff/ Planning Director: 11,000

Authorized Staff

Appendix: Survey Results

	Baltimore, Maryland	Charleston, South Carolina	Los Angeles, California	New Orleans, Louisiana	Oakland, California	Philadelphia, Pennsylvania	San Francisco, California	Vancouver, BC, Canada
Current Planning	15	14		11		15		36
Long Range Planning		4		6		14		29
Administration	8	2	45	4		14		
Quantitative Environmental Review			19			2		
Special Projects								
Information Technology Code		5		5		3		
Enforcement								
Other: Capital Improvement Planning	4			1				
Other: Transportation Planning	3							
Other: GIS/Graphics						9		
Other: Urban Design						5		
Other: Board of Zoning Adjustments				2				

Long Range Planning

	Charleston, SC	Los Angeles, CA	New Orleans, LA	Oakland, CA	Philadelphia, PA	San Francisco, CA	Vancouver, BC, Canada
Staff on Long Range Planning Category:							
a) General Plan Update	33%	10%	40%	25%	<5%	22%	50%
b) Policy Review		10%	8%	10%	25%	22%	100%
c) Specific Area Plans / Rezoning		25%	25%	10%	<5%	40%	16%
d) Date and Information Analysis	42%	10%	5%	2%	30%	16%	3%
e) Special Projects	1%	10%	15%	10%	10%		30%
f) Other	3% (1% each)	35%	7%	43%	<35%		16%
Other:	Neighborhood Liaison; Ombudsman; Administration	Community Planning (25%); Zoning Code Studies (10%)	Zoning Application Support	Zoning Update (27%); Historic Preservation (8%); Transportation (8%)	City's Capital Budget (30%); Web Site Maintenance (<5%)		Transportation Plan Implementation
General Plan Elements:							
a) Land Use	✓	✓	✓	✓	✓	✓	✓
b) Residence	✓		✓	✓	✓	✓	✓
c) Circulation	✓	✓	✓	✓	✓	✓	✓
d) Conservation	✓	✓	✓	✓		✓	✓
e) Open Space	✓	✓	✓	✓	✓	✓	✓
f) Safety		✓		✓		✓	✓
g) Noise		✓		✓		✓	✓
h) Other:	✓	✓	✓	✓	✓	✓	✓
Other:	Urban Services/Economic Development	Air Quality	Economic Development	Historic Preservation	Comprehensive City Plan	Commerce & Industry; Arts; Urban Design	Growth Accommodation Strategies
Other:			Human Services	Estuary Plan		Community Facilities; Air Quality; and Preservation	

Information Technology

Appendix: Survey Results

	Austin, Texas	Baltimore, Maryland	Charleston, South Carolina	Los Angeles, CA	New Orleans, Louisiana	Oakland, California	Philadelphia, Pennsylvania	San Francisco, California	Vancouver, BC, Canada
Primary Use of Information Technology:									
a) Planning									
Application Case Tracking				√		√		√	
b) Parcel-based Land Use History			√	√				√	
c) GIS Land Use System	√	√	√	√	√	√	√	√	
d) Fee Recovery/ Cash Management	√		√			√		√	
e) Internet Access	√	√		√		√	√	√	
f) Building Permit Application Tracking	√	√	√	√		√		√	
g) Mapping	√	√	√	√	√	√	√	√	
h) Office Mail	√		√	√	√		√	√	
i) Office Applications		√	√						
j) Other					√		√	√	
Other:					Bill Complaints		Graphics; Environmental Information Systems		
Application Status Online?	Yes		No	No	No	No	No	Yes	
Applications Available Online?	Yes	No	No	Yes	No	Yes	No	Yes	
Applications Filed Online?	Yes	No	No	Yes	No	No	No	No	
Do Planners Have an assigned Computer?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Access to Programs		No	No	Yes	No	No	Yes	Yes	No
Electronic File Within the Department?		Yes	No	Yes	Yes	Yes	Yes	Yes	Yes
Electronic File Sharing with Other Departments?		No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
IT Positions in the Budget		1	0	42	5	0	2	8	

Current Planning

	Austin, Texas	Baltimore, Maryland	Charleston, South Carolina	Los Angeles, California	New Orleans, Louisiana	Oakland, California	Philadelphia, Pennsylvania	San Francisco, California	Vancouver, BC, Canada
Work Assignments Allocated by:	Geographically & 2 citywide teams	Application Specialty	Application Specialty	Application Specialty & Geographically	Application Specialty	Degree of Complexity	Application Specialty within Geographic boundaries	Geographically	Geographically (Downtown); Application Specialty (elsewhere)
No. Building Permits Processed Annually	9,666	N/A	5,201	0 ¹	N/A		0	6,000	N/A
Of those:									
a) New Construction	4713							260	
b) Alteration / Remodel	4369							2,500	
Application Review Quality Assurance Procedures		Checklists, Reviews by Supervisor	Checklists, Ongoing Training, Reviews by Supervisor, staff Meetings	Client Survey, Checklists, Ongoing Training, Up-to-Date Manuals, Reviews by Supervisor, Staff rotation	Checklists, Reviews by Supervisor, Peer Reviews	Client Survey, Checklists, Ongoing Training, Reviews by Supervisor	Client Survey, Checklists, Ongoing Training, Reviews by Supervisor	Checklists, Ongoing Training, Up-to-Date Manuals, Reviews by Supervisor, Policy Decision Meetings, BOA Updates	
Application Consistency Controls		Specialist Reviews	Small Staff	Supervisor Review		Supervisor Review	Various ²		
Backlog in Building Permit Applications	0	N/A	1 to 7 days		N/A	1 to 6 weeks	6 to 8 weeks	10 to 20 days	
Backlog in Other Applications	2 days	4 weeks	2 to 4 weeks		0	Must Act within 60 days	8 to 10 weeks	3+ Months	
Responsible for Environmental Reviews?		Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Unit Responsible for Environmental Reviews:		Current Planning	Staff	Environmental Review	Coastal Zone	Planner	Environmental Unit	Major Environmental Review	
Measurement of Individual Staff Productivity		Task Completion	Number of Processed Applications	Monitor Caseload Activity		Cases Assigned to each Planner	Unit Supervisor Reviews	Monitoring of Case Tracking System	Number of Applications Processed

¹ The Los Angeles Planning Department only handles Planning/Land-use applications.

² Monthly current planning staff meetings, daily zoning administrative drop in meetings, bi-weekly senior manager meetings, training, policy decision meetings (weekly).

Current Planning (continued)

	Austin, Texas	Baltimore, Maryland	Charleston, South Carolina	Los Angeles, California	New Orleans, Louisiana	Oakland, California	Philadelphia, Pennsylvania	San Francisco, California	Vancouver, BC, Canada
Long Range Planning									
a) Is Long Range Planning a factor in planner Assignment?		No	No	No	No	Yes	No	No	No
b) Are Planners Rotated between Application Processing & Long Range Planning?		No	No	Yes	Yes	Occasionally, if vacancies exist	No		Yes
c) Is there a procedure to include Current Planners in Long Range Planning?		Yes	Yes	Yes	Yes	Yes		Yes	Yes
d) What is the Procedure?		Informal System	Interdepartmental Task Forces	Integration of case processing	Informal System	Establish Teams		Project Review, Neighborhood Planning Input	
Cycle Time from Submission to Final Disposition									
a) All Applications		2 to 6 weeks	N/A			Varies ³			
b) Conditional Use		4 to 6 weeks	1 month		3 to 6 months	Varies ³	8 to 10 weeks	4 months to 2 years	
c) Variance		2 to 3 weeks	1 month		1 month	Varies ³	8 to 10 weeks	2 to 3 months	
d) General Plan Amendment		4 to 6 weeks	2 months		6 months	Varies ³	N/A		
e) Subdivision		90 days	3.5 weeks		3 weeks to 6 months	Varies ³	3 to 5 months	2 to 5 days	
f) Building Permit Plan Check			1 week			Varies ³	N/A	20 days to 2 years	
g) Other					Design Review: 2 to 4 weeks				

³ In most cases, we must act within 60 days of complete application. Cases with environmental review may take up to one year.

Code Enforcement

	Austin, Texas	Baltimore, Maryland	Charleston, South Carolina	Los Angeles, California	New Orleans, Louisiana	Oakland, California	Philadelphia, Pennsylvania	San Francisco, California	Vancouver, BC
Department that handles Code Enforcement		Housing and Community Development	Design, Development & Preservation	Building Department	Building Department	Building Department	Licenses and Inspections	Building and Planning Departments	Licenses and Inspections
Source of Code Violation Complaints									
a) Externally from general public	90%		10%	"vast majority"		90%		90%	
b) Internally from Staff	6%		87%			5%		5%	
c) Internally from Other Departments	2%		2%			5%		5%	
d) Other Public Agencies	1%		1%						
Are Code complaints by staff, the result of enforcement procedures?			No	No	No	No		Yes ¹	
Number of Planning Code Violations in FY 2000-01			900			500		15-20 Enforcement Team established in FY01-02	
Average Response Time to Citizen Complaints	2-4 Days		2-4 Days	N/A		2-4 Days		Over 14 days	
Complaints which receive the Highest Priority	Illegal Dwelling Units, Illegal Automotive Garages, Abandoned Vehicles		Illegal Dwelling Units, Commercial Signs, Illegal B & B			Illegal Dwelling Units, Illegal Automotive Garages, Commercial Signs		Commercial Signs , ? , ? (listed as Other)	
Enforcement Mechanisms			Reinspection; Recorded notice of violation; Citations; Filing of a criminal complaint; Livability Court	Reinspection, Recorded notice of violation, Citations, Administrative Hearing, Filing of a criminal complaint		Reinspection; Recorded notice of violation; Administrative Hearing; Condemnation, Liens; Civil Action	Reinspection; Recorded notice of violation	Reinspection; Recorded notice of violation; Administrative Hearing; Liens	

¹ Procedure set in Department Procedures Manual.

Code Enforcement (Continued)

	Austin, Texas	Baltimore, Maryland	Charleston, South Carolina	Los Angeles, California	New Orleans, Louisiana	Oakland, California	Philadelphia, Pennsylvania	San Francisco, California
When are enforcement fees assessed?			During the livability court hearing			1st Re-inspection of verified violation		At present, only for enforcement of violation of conditions of approval
How are fees collected?			Collected by Municipal Court			Direct Billing ²		Have not collected as of yet, but would bill the property owner/sponsor.
How are fees determined?			Maximum fines allowed by the State			Flat Fees & some are based on time and resources expended		Time & Materials
Do planning application reviews fees include recovery of costs for monitoring compliance with conditions of approval and code enforcement?			No	Yes		No	No	Yes
Does your jurisdiction have any special programs designed to inform the general public about code enforcement and increase their satisfaction with it?			Yes ³	Various efforts through the Building Services Department		Yes ⁴	No	No

² Could be rolled into Building Permit Application fees. Enforcement Fees not paid voluntarily are collected through priority liens.

³ A brochure is being developed to explain the livability court as well as meeting with neighborhoods.

⁴ Printed brochures outlining code enforcement requirements and services are available and distributed at community meetings. Code Enforcement Staff regularly attend these meetings, as well as Council District (Interdepartmental Group) meeting open to the public. In addition, the City's cable channel (KTOP) air public service announcements with phone numbers related to code enforcement.



Appendix: Written Response from the Director of Planning

May 23, 2002

Director



PLANNING DEPARTMENT

City and County of San Francisco • 1660 Mission Street, Suite 500 • San Francisco, California • 94103-2414

MAIN NUMBER (415) 558-6378	DIRECTOR'S OFFICE PHONE: 558-6411 4TH FLOOR FAX: 558-6426	ZONING ADMINISTRATOR PHONE: 558-6350 5TH FLOOR FAX: 558-6409	PLANNING INFORMATION PHONE: 558-6377 MAJOR ENVIRONMENTAL FAX: 558-5991	COMMISSION CALENDAR INFO: 558-6422 INTERNET WEB SITE WWW.SFGOV.ORG/PLANNING
-------------------------------	--	---	---	--

May 23, 2002

Harvey M. Rose
Budget Analyst
Board of Supervisors
1390 Market Street, Suite 1025
San Francisco, CA 94102

Re: Planning Department Response to 2002 Draft Management Audit Report

Dear Mr. Rose:

Attached you will find our detailed response to your office's Draft Management Audit of the Planning Department. The response is broken down by section. Generally, it is divided into suggested corrections of inaccuracies that we identified in the report and includes clarifications and comments about the feasibility of implementing some of the recommendations. The only recommendations that were specifically addressed were those made to the Director of the Department.

As we stated in the initial response of April 12, we feel that the Budget Analyst's report contains much useful information and constructive recommendations which will be helpful in improving both the Planning Department and the Planning Commission's performances.

It has always been our commitment to get the response to you with sufficient time for review by the members of the Board of Supervisors and certainly well in advance of any public hearings on the audit.

In conclusion, we look forward to working with the Budget Analyst, Planning Commission, the Board of Supervisors, and Mayor in implementing appropriate improvements. We also look forward to responding to the Budget Analyst's Audit Report in future hearings before the Board of Supervisors.

Sincerely,

Gerald G. Green
Director of Planning

GGG:gcb

Attachment

Planning Department Response to the 2002 Draft Management Audit Report

May 23, 2002

Gerald G. Green
Director

Section 1: Commission Compliance With State And Local Mandates

Accuracy Comments

Page 1-4: The Budget Analyst's Report opines that - " (The) adoption of City legislation can best occur through multi-year strategic planning process."

A multi-year strategic planning process might not be flexible enough to address the changing priorities of the Board of Supervisors. It's unclear how such a multi-year strategic planning process would have addressed the changed priorities of last year's new Board of Supervisors who were elected through district elections. The Department encourages the Board of Supervisors to hold regular hearings to articulate their planning priorities.

Page 1-6: The report states that the Director changes the Work Program during the year to reflect unforeseen circumstances and changes in funding. It also concludes that the Director without an overriding set of goals, objectives and priorities makes reallocation decisions for the year formally established by the CPC with input from the Board of Supervisors.

The work program is initially adopted by identifying strategic Department planning objectives and in response to the stated planning priorities of the Board of Supervisors. A "reconciliation report" is presented mid-year to the Planning Commission for any major changes to the Department's work program. The Department feels strongly that a similar process needs to be implemented at the Board of Supervisors, whereby the Department would come before a Committee of the Board to present suggested changes to the work program as a result of reductions in the Department's revenue. In addition, the Department's Liaison to the Board of Supervisors currently fills the crucial role of meeting with Supervisors and their aides on a regular basis to ascertain individual members' planning priorities.

Page 1-11: "a number of departments reported that they are not kept informed or asked to participate in Planning department projects [such as the Better Neighborhoods Program] that will or could have an impact on their areas of jurisdiction".

Specifically on page 1-12:

The Public Utilities Commission (PUC) claims to have had "no forewarning of a proposal by the Planning Department to build housing on the Balboa Reservoir, over which the PUC has jurisdiction".

This is simply not the case. Planning Department staff invited PUC staff to the workshops where the idea was discussed. PUC staff declined to attend (documentation can be provided). More importantly, this was not a proposal. The Planning Department is not moving forward with any proposals for housing on the reservoir. Numerous ideas were talked about at these meetings -- the nature of community-based planning is to get as many ideas out there as possible. The next

step in our on-going community planning effort is to make public draft plans for review by the public and other agencies, after which proposals may be made as part of the final plan.

The San Francisco Redevelopment Agency (SFRA) claims to have "not been asked to provide input into the Market and Octavia Better Neighborhood effort...."

This is an incorrect statement. Not only has the SFRA been invited to participate, several staff members have been actively involved in the process from the very beginning, and have even served as facilitators in our workshops. (Documentation can be provided). The Planning Department has played the lead role in facilitating the public process and in developing design guidelines pursuant to the disposition of the Central Freeway Parcels. This has been on-going for one and a half years. (Documentation can be provided).

The San Francisco County Transportation Authority (SFCTA) claims to have "had no forewarning of a Planning Dept. proposal to ban vehicles on South Van Ness Avenue even though such an action would have a significant impact on transportation projects..."

Again, closing South Van Ness Avenue to through traffic was not a proposal. It was a working concept, like many others, evolving from a MUNI proposal for a dedicated bus lane that was presented for the public's consideration at a community workshop. An important part of community-based planning is getting as many ideas out there as possible, and inviting other agencies as well as the public to engage in a debate as to their merits.

It's worth noting that while the SFCTA was invited to the meeting where this was presented and the SFCTA's director attended, he stayed only long enough to hear the concept mentioned and left before the public discussion, at which point his concerns would have added greatly to the discussion. Both the public in attendance and MUNI staff were intrigued by the concept. Prior to the current director's appointment, Planning Department staff worked extensively with Andy Nash on the design of the new central freeway touchdown at Market Street. SFCTA staff continues to be invited to community workshops and are in close communication concerning several transportation ideas coming out of the Balboa Park Better Neighborhoods 2002 (BN) plan. (Documentation can be provided).

The long-range planning function of the Planning Department is in the position of trying to balance the competing interests and perspectives of more than a dozen other agencies. These agencies are, by and large, focused on the detailed management of a single city function. The role of long-range planning, in contrast, is to provide a broader context, a larger vision that integrates these various functions. While we would not propose specific designs for a piece of transportation infrastructure, for instance, it is our role to promote the transportation goals outlined in the General Plan. In terms of community planning, this often means bringing to the public debate ideas that stray far from conventional practice in other city agencies.

The public has, all things considered, come out in support of the more "controversial" working concepts in the BN planning effort. The resistance these ideas face comes primarily from other agencies, where they go against standard practice. Facilitating the public debate of these issues is central to the community planning process. Ultimately, the success or failure of each idea will

depend on public support of these ideas after an open discussion of their merits with all city agencies, including the Planning Department. The role of the BN process is to get the ideas out there and to start the debate.

As an example, we have suggested that in the case of Van Ness Avenue north of Market Street, 2 of the 6 existing traffic lanes should be dedicated exclusively to transit and the sidewalks redesigned to improve pedestrian safety, facilitating the more efficient movement of people and in keeping with the City's Transit First policy. We feel that it is of the greatest importance that this idea saw the light of day in a public workshop, where the public actively discussed it. Had the approval of more than a dozen agencies been required prior to the discussion, it is unlikely that it would ever have seen the light of day.

Page 1-12: The Audit refers to "the Planning Department's MOU with the Redevelopment Agency". The document is actually entitled a Master Services Agreement (MOA).

Recommendations

- 1.1 The Planning Commission should prepare a long range strategic plan integrating a broad set of short and long term goals, objectives and action plans for the Commission and the Planning Department, including timetables and specific measurements of plan accomplishment.**

The Department agrees with this recommendation. However, a long-range strategic plan is dependent on long-range fiscal support, which is impacted by ever changing economic climates and a short-term budget process. It is unclear how such a multi-year strategic planning process would have addressed the changed priorities of last year's new Board of Supervisors who were elected through district elections. As previously stated, the Department encourages the Board of Supervisors to hold regular hearings to articulate their planning priorities.

- 1.2 The Planning Commission should establish an annual process for formally receiving input from the Board of Supervisors and the public regarding goals and objectives for the planning function and incorporate them into the establishment and annual updates to the strategic plan.**

The Department agrees with the recommendation. The Clerk of the Board of Supervisors should perhaps initiate the process of formally transmitting planning related decisions to the Planning Commission.

- 1.3 The Planning Commission should develop a process for annually evaluating accomplishment of the strategic plan including measurements of actual performance and timetables of projects and activities included in the plan.**

See 1.1 above.

- 1.4 The Planning Commission should require the Planning Director to structure the Department's annual Work Program to present the link between planned activities and strategic plan goals and objectives.**

The Department agrees. This is already being carried out, and the Department intends to continue the process.

- 1.5 The Planning Commission should require the Planning Director to provide a detailed reconciliation between the annual Work Program and the budget each year after the annual budget is adopted and to provide this to the Commission and the Board of Supervisors.**

The Department agrees. The work program is initially adopted by identifying strategic Department planning objectives and in response to the stated planning priorities of the Board of Supervisors. A "reconciliation report" is now presented mid-year to the Planning Commission for any major changes to our work program. As stated above, we feel strongly that a similar process needs to be implemented at the Board of Supervisors, whereby the Planning Department would present suggested changes to the work program as a result of reductions in the Department's revenue.

- 1.6 The Planning Commission should establish coordination and cooperation with other City agencies as a performance measurement for the Planning Director and measure actual results in this area through an annual survey of other agencies involved in planning and land use, to be presented to the Commission,**

The Department will always support measures to improve coordination between other city agencies. However, why hold the Planning Director responsible when the opinions expressed in an annual survey (of other agencies) is affected by circumstances outside the performance of the Director. As an example, the Audit concludes that the Department is not using the Travel Demand Model development by SFCTA. The Department is using the SFCTA model. However, where it has been used, some additional work has been required to get to a level of service analysis (at intersections) that is required for an EIR. In order to determine the level of service at various intersections in a complex street grid, transportation consultants have had to manually assign traffic to the street system, rather than rely entirely upon the output from the model. The Master Services Agreement with the Redevelopment Agency was dependent upon staffing which was not funded in the FY 2001/2002 budget.

- 1.7 The Planning Director should revise the Planning Department's budget structure to present the budgets for each of the Department's five divisions.**

The Department agrees. Currently, the cost and revenue figures for four of the five divisions are presented in the Work Program and in the Department's Budget. The costs of the Department's fifth division, Administration, are spread throughout the other divisions. Those administrative costs could be separated for next year's fiscal year budget.

Section 2: Planning Commission Discretion

Accuracy Comments

Page 2-3: "A review of a sample of development projects that require Conditional Use approval conducted as part of this management audit found potential or actual problems, resulting in lack of compliance with the Planning Code..."

The Audit Report does not cite examples so the Department is unable to verify the accuracy of this statement.

Page 2-3: Large scale development of such (Live/work) projects ... overall did not conform with the General Plan

The Budget Analyst states an opinion when he claims that the approval of 1,500 L/W units violated General Plan priority policies. In making its decisions, the Commission made appropriate General Plan findings.

Page 2-5: "In Case 00-1195 ... if the Planning Code did not allow exceptions to the ground level public services requirement in office buildings, the Planning Commission would not have had the discretion to approve office buildings without such services, and the First and Howard Streets area would have office buildings with ground level public services."

This statement is inaccurate. The 1st and Howard project was approved with ground floor services and restaurants. 199 Fremont has ground floor retail and restaurants. However, 547 Howard was on a 25' wide lot and only 85' deep, and did not lend itself to ground floor retail. Its entry lobby and circulation would have only left a minimal retail presence. This block of Howard also does not have a strong retail presence, and this site would have been difficult to lease successfully.

Page 2-5: Approval of a housing project exceeding the 40' height limit permitted in the Planning Code.

The Budget Analyst does not understand the history of the 40' Conditional Use requirement. The public expressed deep concern about allowing buildings of over 40 feet in height in a residential district without public review before the Planning Commission. We do not understand what is meant by the statement, "However, because the project sponsor was required to obtain Conditional Use approval, despite complying with the Residential Design Guidelines and the Van Ness Avenue Plan, because the Planning Code does not set further height limits for development in this zoning district, the Planning Commission had the discretion to approve or disapprove the project." First, the Residential Design Guidelines are not applicable in this district, since it is both a Residential-Commercial District and has a height limit of over 40 feet in height. Furthermore, a primary purpose of bringing any case to the Commission is for the Commission to use its discretion after hearing from the public. If there was no need for public input or discretion, the application could have been approved administratively.

Page 2-7: Discretionary Review (DR)

The Planning Commission disapproved or modified 62 percent of cases in 2001. The Budget Analyst believes that the high number of cases demonstrates that the Planning Code does not work, but he ignores that we now require separate DRs from each applicant, and the Planning Commission and the Board of Supervisors both have implemented mandatory Discretionary Review policies, thus increasing the number of DRs.

Page 2-9: The Audit Report inaccurately states that: "The Planning Department's Better Neighborhoods Program, which will add new neighborhood plans to the Planning Code, will not allow Conditional Use approval for projects in the neighborhood."

The Department has neither made that determination nor proposed to do so. An overall theme of this section is that the Budget Analyst seeks to eliminate discretion by the Commission and the Department. This is contrary to public policy, fails to take into account the complexities of land use in San Francisco, and it seems to be contrary to the Board of Supervisors' current policy to increase Conditional Uses and Discretionary Reviews.

Recommendations

"We recommend that the Director of the Department of Planning:"

- 2.1 Review the Planning Code to determine instances where application of Conditional Use could result in failure to conform (to) the General Plan or comply with the intentions of the Planning Code.**

The Department disagrees. This is a confusing recommendation and demonstrates a lack of understanding of what a conditional use request is and what the relationship is between a conditional use application and the General Plan. There's no need to modify the Planning Code because prior to approval (or denial), compliance with the General Plan must be established and stated.

- 2.2 Assign a long range and current planning staff to work with community planning committees to identify and propose Planning Code changes, that set firmer zoning requirements for projects within specific zoning districts.**

The Department believes that this could be implemented if clear objectives are set and if additional funding and staffing are provided. This can also be implemented through the Better Neighborhoods Program.

- 2.3 Present a proposal, including goals, timelines, and measurable results, to the Board of Supervisors during the FY 2002-2003 budget process for the review of the Planning Code application of Conditional Use.**

The Department disagrees with this recommendation. Please see 2.1 above.

Section 3: Industrial Protection Zones, Live/Work Projects And Community Plans

Accuracy Comments

Page 3-10: The Budget Analyst's audit inaccurately states that the Planning Code does not define Arts Activities.

Planning Code Section 102.2 does clearly define Arts Activities.

Recommendations

"The Director of the Department of Planning should:"

- 3.1 Submit amendments to the approved annual Work Program and budget in writing to the Board of Supervisors, as well as the Planning Commission, with an explanation of the Department's reasons for selecting reductions to each program.**

The Department agrees. Please see the response to recommendation 1.5.

- 3.2 Develop a stricter definition of "live/work", including defining live/work projects as housing and the zones in which live/work are permitted, and recommend Planning Code revisions to the Planning Commission.**

The Department agrees. This could be done as part of the Community Planning Process currently in progress in San Francisco's five Eastern Neighborhoods.

- 3.3 Rigorously identify which projects are permitted or not permitted and limit the types of projects subject to conditional use in developing the community plans and the permanent zoning controls and recommend Planning Code revisions to the Planning Commission.**

The Department agrees.

- 3.4 Develop a formal tool for assessing and incorporating community input in the community plans.**

The Department agrees, as this is one of the primary goals of the Better Neighborhoods Program as well as the Community Planning Processes in the Eastern Neighborhoods.

Section 4: Community Participation

Recommendation

“The Board of Supervisors should:”

- 4.1 Establish advisory community planning committees in each Supervisor’s district and appoint representatives to the community planning committee within the district.**
- 4.2 Consider establishing a steering committee, comprised of one representative from each of the community planning committees, and an advisory interest committee, comprised of members of professional architecture and planning associations, building and land use groups, environmentalists, and other stakeholders in the planning process.**

The Planning Department always welcomes community input into the planning process. We do, however, have a concern about the role of such committees and their relation to already established neighborhood groups that are currently active in the planning process. In addition, a newly formed Planning Commission with appointments by both the Mayor and the Board of Supervisors is due to take effect on July 1 of this year.

“The Planning Commission should:”

- 4.3 Establish regular planning policy workshops to provide an opportunity for Commissioners and community members to participate in a more general discussion about planning issues.**

As stated above, the Planning Department welcomes maximum community input into the Planning process. The Department’s community planning process in the Eastern Neighborhoods has included public workshops in the neighborhoods where general planning issues were discussed. In addition, general planning items are regularly scheduled at the Planning Commission, such as the recent discussion on the Commission’s residential demolition policy.

“The Planning Department should:”

- 4.4 The Planning Department should develop work plans that incorporate the community planning committees in developing General Plan and Planning Code proposals.**

The Department agrees.

Section 5: Long-Range Planning Program Management

Recommendations

“We recommend that the Director of the Department of Planning:”

- 5.1 Identify and maintain sufficient resources to achieve its long range planning goals and present changes in the Citywide Policy and Analysis work program to the Planning Commission for public review and discussion:**
- 5.2 Develop well-formulated realistic work plans for long range planning projects and rigorously monitor work plan timelines:**
- 5.3 Work with the Planning Commission to request the completion and to schedule public hearings of draft long range planning policies before the Commission.**
- 5.3 Direct the Chief of the Citywide Policy and Analysis Unit to present monthly status reports to the Director of Planning on all projects, including all hours spent compared to the number planned, milestones accomplished, and explanations for any delays.**
- 5.4 Direct the Chief of the Citywide Policy and Analysis Unit to present monthly status reports to the Director of Planning on all projects, including all hours spent compared to the number planned, milestones accomplished, and explanations for any delays.**

In the context of the funding and staffing issues described in this section, we generally agree with the above recommendations. The preparation of rigorous and detailed work programs is futile, however, without the resources to follow through. Where funding and staffing have been in place, we believe that work programs have been developed. When funding and priorities have been consistent, we believe that they have been carried out. More rigorous monitoring and reporting can increase intelligent oversight where resources are sufficient.

Section 6: Permit Streamlining Act

Accuracy Comments

The Audit Report concludes from statistics that the Department is not complying with State law governing processing time. The numbers don't lie in terms of processing time. The report, however, does not recognize that the reality of the development process in San Francisco is the inclusion of community input, neighborhood meetings, and project alterations. This dialogue and community-based approach add time. This reality is not discussed and is not accounted for in the State law.

Regarding the Environmental Review processing time, based upon a sample of Negative Declaration cases, the Audit Report found that the Department took an average of 211 days to complete the Negative Declarations, rather than 180 days as required by the Permit Streamlining Act. The Analysis in the Audit Report is flawed at several levels. The analysis did not subtract out the minimum of 30 days per application for applications to be reviewed before they are accepted as complete. In many cases, additional information is required of an applicant before an application is accepted as complete. Subtracting out that minimum 30 days alone would have reduced the average time period to 181 days. In fact, in many cases, more than 30 days would be subtracted out due to specific requests for additional information and studies before the application would be accepted as complete. In addition, the permit streamlining "clock" does not begin to run until 30 days after the filing of the environmental evaluation application, or the permit approval application, whichever is *later*. If the permit approval application for any of the sample of cases were filed after the environmental evaluation application, the average time period would likely be reduced to less than 180 days. Similarly, the permit streamlining "clock" is stopped when the processing of the case is delayed as a result of a project sponsor's actions. This is often the case for many projects, where the project is revised after the initial application, or where additional information is required from the project sponsor. Subtracting out time, as appropriate, for all of the reasons above, would have brought the average time for the sample of cases to well under 180 days.

Nevertheless, the Audit Report is correct in terms of its assessment and recommendations that the Department could improve on its mechanisms to inform the public, and track and report upon the key dates and information relevant to the Permit Streamlining Act.

Recommendations

"It is recommended that Planning Department management:"

- 6.1 Clarify the process and instruct staff on what qualifies for determining application completeness and the need to comply with the state mandated 30-day time limit on this process.**

The Department agrees. This function is already being carried out. Please see 6.5 below.

- 6.2** Revise all Department application forms, printed materials and web site to include detailed lists of all information and materials that will be required of applicants, including items that are not mandatory but commonly required for project types most frequently reviewed by the Department.

The Department agrees.

- 6.3** Revise all Department application forms, printed materials and web site to state that all applications will be reviewed and their completeness determined within 30 days of submission and to disclose the criteria by which completeness will be determined.

The Department agrees.

- 6.4** Revise all Department application forms, printed materials and web site to include disclosure of all Permit Streamlining Act and California Environmental Quality Act (CEQA) time limits.

The Department agrees.

- 6.5** Instruct all staff on time limits and importance of compliance

The Department agrees. This is already being carried out. In March 2002, staff received a briefing/presentation from a representative of the City Attorney's office on the law, and the legal responsibility to comply with time limits. The department intends to repeat this annually.

- 6.6** Add necessary data collection ability to the Parcel Information Data Base to capture all key milestone dates needed for compliance with State case processing time limits, including date application submitted, date application determined complete/incomplete, date Initial Study of environmental impacts completed, date of environmental review action, and date of final action on application.

The Department agrees. However, adding new data collection ability to the Parcel Information Data Base will require network system infrastructure or software changes that must be funded.

- 6.7** Add necessary data collection ability to the Parcel Information Data Base to capture other key dates in the process to identify backlogs such as date of case assignment to a planner, date work commencement, and others.

The Department agrees. Please see the response to 6.6 above.

- 6.8** Collaborate with the Department of Building Inspection regarding adding fields to also collect key milestone dates on the Permit Tracking System to track Permit Streamlining Act compliance.

The Department agrees; please see the response to 6.6 above.

6.9 Assign responsibility for accurate and complete data entry by their staffs to all Department neighborhood Planning managers.

The Department agrees.

6.10 Begin production of a regular monthly report for the Director showing compliance with Permit Streamlining Act and CEQA requirements, case backlogs and other relevant information to enable management to expedite permit processing to the extent possible.

The Department agrees. However, rather than monthly, this should be included in an annual report.

Section 7: Planning Staff Turnovers And Vacancies

Accuracy Comments

The Department had provided a detailed listing of internal promotions within the Department from the period of January 2000 through present. A summary showed that in 2000 there were 23 internal promotions and in 2001 there were 22 internal promotions. Given that the Department has approximately 100 technical planners, the promotional record is at 22%-23% per year for at least the past two years. This track record of promotions allows for approximately 1 in every four planners a promotion each year. The Planning Department rate of promotions is high in comparison to other City departments. The Department offers the Planner I thru Planner V classifications. This offers a defined line of promotion for planners. (See attached.)

Recommendations

Recommendation that the Director of the Department of Planning:

- 7.1 Require Department managers to conduct annual performance evaluations for all staff Planners to increase the level of communication between management and staff and to provide feedback to staff on job performance**

The Department agrees. To implement equally and fairly, however, all supervising staff will have to be trained in the methodology of doing evaluations and use the same system of evaluations consistently and uniformly throughout the Department. In the past, two separate "official" systems have been used. The Performance Appraisal Report rates employees in one of five levels of performance factors and managerial factors. This requires the use of a standard form. Another system was introduced in the late 1990s called the Performance Management and Appraisal system, which is not used universally. Using this system, the employee and supervisor jointly develop a job description and job standards and conduct performance conferences throughout the year so that an employee work plan can be developed that is evaluated at the end of a one year period. This system requires more employee input in creating a job description and setting goals and measurement standards.

No matter what, to implement this recommendation will impact the amount of time managers spend on staff development and upgrade. It is a valuable process, however, and the ultimate cost will be on time management, review of project work and on policy development.

- 7.2 Conduct annual morale surveys to identify workload problems, communication failures between staff and Department management or the Planning Commission, and other factors contributing to poor staff morale. The results of the morale survey should be presented to the Planning Commission and used as a factor in an annual evaluation of the performance of the Department Director.**

The Department agrees that the Director should be held accountable. There is, however, a concern about publicizing personnel issues over which the Commission has no authority.

- 7.3 Establish a voluntary work rotation system, providing Planners the opportunity to work in all areas of the Department; and consider voluntary rotation to each of the organization's units as one factor in promotions.**

The Department disagrees. This has not worked in the past and could result in an uneven allocation of staffing.

- 7.4 Increase work opportunities for staff Planners by assigning Neighborhood Planning staff to special projects other than application processing and establishing teams from Citywide Policy and Analysis and Neighborhood Planning to work on specific issue or geographic related tasks.**

The Department agrees. This is already being carried out through assignments and through joint meetings on Urban Design and Policy issues.

- 7.5 Improve communication between staff and senior management, by delegating more decision making responsibilities to Planner V staff, regularly attending division staff meetings or calling regular Department-wide staff meetings, increasing Zoning Administrator drop-in hours, and setting up communication channels, such as regular email access.**

The Department agrees. This is already being carried out and is a regularly expected process at the Department.

- 7.6 Assist new and inexperienced staff in Neighborhood Planning by assigning mentors to junior staff and increasing team leader participation in project reviews.**

The Department agrees. This will, however, have an impact on time processing of project applications and will put more pressure on time management.

- 7.7 Adopt and implement the Department's draft policy for reduced work schedules and draft a telecommuting policy**

While the Department agrees that this is a potential morale booster and a way to retain valuable staff, this recommendation needs much further exploration and development. Issues that need to be addressed are time processing, liability issues of working at home, and staff availability (or lack of) to the public.

Section 8: Efficiency And Effectiveness Of Public Information Center

Accuracy Comments

Page 8-1: The report inaccurately lists the number of FTEs covered by the funding for PIC as 7.5. It is actually 9.75.

Recommendations

“It is recommended that the Planning Department Director:”

- 8.1 Accelerate the physical improvements to the PIC that expand the service area, revise the signage, eliminate the 15-minute time limit on staff services (sign), install improved seating, and move telephones.**

The Department agrees. This will, however, require assistance from the Department of Building Inspection (who shares first floor space) and will necessitate sufficient funding. As to the 15-minute policy, it is intended to allow all people to be served in a timely manner. If it takes more than 15 minutes to process, it is likely that more attention is needed to the issue at hand than is appropriate at the counter.

- 8.2 To ensure that useful and accurate data are collected, a greatly modified tally sheet content and process should be employed as follows: (Please consult Draft Audit Report for the lengthy details of this recommendation).**

The Department disagrees. We are not sure what is the purpose or benefit of this recommendation.

- 8.3 Emphasize the importance of PIC training for staff and see that service data are used to develop targeted instruction:**

The Department agrees. This is already being carried out at the PIC management meetings and at training sessions.

- 8.4 Encourage reservations for persons wishing to access planning services at the PIC.**

The Department agrees. People can already make appointments with appropriate staff persons and some appointments can be arranged with counter personnel as well.

- 8.5 Consider reviving the internal Planning Code Simplification Project to determine what resources are needed for its completion and then schedule if practicable.**

While simplification of the Planning Code is extremely worthwhile, this is a complicated issue. It requires additional personnel and/or funding, and we do not believe that this is the appropriate section to address this subject.

- 8.6 Update, then implement a streamlined policy and procedures manual for the PIC including discussion of basic customer service and the importance of communicating to customers that help will be forthcoming when there are backlogs at the Counter.**

The Department agrees. Customer service and good communication are already discussed in training sessions.

- 8.7 Develop an assignment and rotation system that ensures balanced staffing for the PIC from all organizational units and enables employees who have expressed a preference for the PIC to be assigned beyond their scheduled shifts.**

The Department agrees. This is already being carried out.

- 8.8 With assistance from the Department's Chief Financial Officer, prepare and implement written procedures for handling cash at the PIC.**

The Department agrees. It is to be noted, however, that no large sums of cash are ever stored at the PIC.

- 8.9 Designate a set number of hours per week for assigned staff to work exclusively on updating all handout materials.**

The Department agrees. This is already being carried out.

Section 9: Organization And Management Structure

Accuracy Comments

Page 9-2, Exhibit 9-1 Comparison of Manager Salaries, Positions, Reporting and Functions, Planning Department, should be corrected as shown below.

Exhibit 9-1

Classification	# Reporting Positions	Functions
Zoning Administrator	2	Variances, Interpretations, Neighborhood Planning
Planner V	24	Northeast Neighborhood Planning, Code Enforcement, Tactical Team
Planner V	15	Northwest Neighborhood Planning, Preservation
Planner V	20	Southeast & Southwest Neighborhood Planning
Planner V	25	Citywide Policy & Analysis (Long-range)
Planner V	21	Environmental Review
Planner V	19.2	Information Services, Planning Information Center
Operations Manager	7	
Manager, Finance & Administration	9	Finance, personnel, contract administration
Median, excluding Zoning Administrator	20.5	
Median, Planner V	20	

As shown in Exhibit 9.1, the median number of reporting positions for all managers, excluding the Zoning Administrator, is 20.5. For Planner V's only, the average is 20. Within the Planner V group, the range around the median number of reporting positions of 20 is 11 through 27...The Operations Manager and the Manager of Finance and Administration have 7 and 9 positions reporting, respectively.

Page 9-5: Exhibit is incorrectly labeled 5.2. It should be 9.2 and should be corrected as shown below.

Exhibit 9.2

Division	#Planner IV's	#Line Staff	Ratio
Preservation	0	5	0
Enforcement	1	5	
TAC	3	5	5.0
Northeast	1	9	9.0
Northwest	1	10	10.0
Southeast/Southwest	2	18	9.0
Citywide Policy and Analysis	5	20	4.0
Planning Information Center	2	5	2.5
Major Environmental Analysis	6	16	2.5
Median	2.1	109	5.0

Recommendations

“It is recommended that the Board of Supervisors:”

- 9.1 Delete one Planner V position from the Department’s budget when attrition allows:**
- 9.2 Delete three Planner IV positions from the Department’s budget when attrition allows:**

“It is recommended that the Planning Director should:”

- 9.3 Restructure the organization by transferring the administrative functions now under the Planning Commission Secretary and the Information Services division now under Planner V to the Manager of Finance and Administration.**
- 9.4 Transfer responsibility for the Planning Information Center to the Zoning Administrator as manager of the Neighborhood Planning unit.**

The Department disagrees with the above recommendations. The conclusion that Administrative functions such as IS (Information Services) and operations be consolidated under one manager is based solely on headcount. The current headcount reporting to the manager of Finance and Administration is nine. There are three functional areas with a staff of three in each. In the Planning technical areas where there is a Planner V in each Division with 21 staff members, there is only one functional area, i.e., MEA, Neighborhood Planning (Quadrants), and Citywide. The headcount criteria of analysis are not viable due to the varied skills, knowledge, and experience required to manage the various functional areas in administration.

Finance – Knowledge of governmental accepted accounting principles; budget and financial analysis; fee collections; interpretation of planning code for fee revenue, and exactions; interfacing with the Mayor's Budget Office and the Controller's office.

Personnel – Knowledge of Civil Service Rules and Regulations; understanding of Local MOUs; knowledge of payroll policy and procedures for processing; knowledge of latest state laws and fair employment practices; interface with the Civil Service Commission, DHR, the Controller's Payroll Division, and the City Attorney.

Contract Administrations – Knowledge of and compliance with the Minority, Women and Small Business selection processes of the Human Rights Commission; knowledge of the Administrative Code, the State Contracting Codes, and the Purchasing Codes. Interface with the Human Rights Commission, Civil Service Commission, City Attorney, and the Chief Administrator and the Purchaser.

It is clear that the management of Administration requires knowledge in various disciplines and cannot be compared to the technical planning functions that have been separated into divisions within the Planning Department. The headcount approach to reorganization for administration does not take into consideration the processes, procedures, mandates and approvals required to operate each functional area of Administration.

Section 10: Department Fees And Cost Recovery

Recommendations

“It is recommended that the Director of the Department of Planning:”

- 10.4 Immediately design and implement a method for insuring (sic) accurate capture of staff time expended on planning services within the Department’s different organizational units:**

The Department currently uses software to track individual planners’ times. The Time Accounting System currently keeps track of individual planners’ times by project.

- 10.5 Accelerate implementation of the Controller’s recommendations pertaining to Special Fees. However, carefully review the Treasurer’s current proposal for centralized collection of all fees to ensure that the Department cooperates with the appropriate departments in implementing the process determined to be in the City’s best interest.**

The Department agrees. This is already carried out through the responsibility of an Administrative Assistant 1823 position that was added to the Department’s FY 2001-2002 budget. We also support existing legislation to have the City Treasurer collect fees, provided that the Administrative Assistant position remains in the Department’s budget.

- 10.6 Determine if there are projects not included in the Controller’s sample of 32 projects that are subject to special fees and any amounts paid and due, e.g., projects smaller than 25,000 square feet in size as well as all hotel and residential development.**

The Department agrees.

- 10.7 Enter details of all approved special fees in the Parcel Information Database at the time of project approval.**

The Department agrees.

- 10.8 Prepare an annual Special Fees Information Report and submit it to the Planning Commission, including a comparison with the total square footage of all approved project types in the same period.**

The Department agrees. This should be a part of an annual report.

- 10.9 Ensure that the Parcel Information Database includes appropriate fields for fees that correspond to the fee-related fields in DBI’s Permit Tracking System:**

The Department agrees. Please see our response to recommendation 6.6 for further clarification.

10.10 Develop and install a quality assurance/quality control procedure to ensure that all data entries are timely and accurately made, and with the appropriate and clearly auditable managerial approval.

The Department agrees.

10.11 Obtain input from the Controller and City Attorney and report back to the Planning Commission regarding the feasibility of placing a portion of fee revenues in a reserve fund for pre-approved, future costs such as technology system upgrades.

The Department agrees with this recommendation. In fact, this idea has already been actively discussed at the Department.

Section 11: Evaluate Department's Current And Planned Information Technology

It is recommended that the Director of Planning:

- 11.1 Continue with strong commitment to the information technology function and ensure an appropriate level of dedicated financial support based on an updated Five-Year Plan: (Please consult Draft Audit Report for details of the Plan.)**

The Department agrees. It should be noted, however, that the Director's ability to ensure an appropriate level of dedicated financial support for an updated 5-year plan is extremely restricted and should be addressed by the Board of Supervisors through the Budget process. The Department's network system is currently dysfunctional and is inoperable on many days. This is directly linked to inadequate funding in the first two years of the 5-year plan.

- 11.2 Develop a timetable to accelerate the completion of all system documentation.**

The Department agrees with the concept. We need, however, a more clear definition of the Budget Analyst's definition of "system documentation."

- 11.3 Prepare simplified user guides for staff and users of the Public PC.**

The Department agrees.

- 11.4 Work with the Department of Building Inspection to ensure that compatibility of software versions and all issues of security are resolved so that interface with the Permit Tracking System is implemented before the end of this fiscal year.**

The Department agrees. This is already being carried out.

- 11.5 Develop and install appropriate management and quality controls of Department applications to minimize erroneous content as well as system misuse and abuse.**

The Department agrees.

- 11.6 Implement a schedule of training classes necessary to ensure the appropriate information technology proficiency for all levels of staff, including planners, support staff and IT staff.**

The Department agrees. This is already being carried out on a limited basis.

- 11.7 Implement an annual staff customer satisfaction survey for the Information Services function and incorporate the results in the annual performance evaluation of the I.S. Manager.**

The Department agrees.

Section 12: Training

Recommendations

“It is recommended that the Director of the Department of City Planning:”

- 12.1 Ensure that all classifications of employees are regularly made aware of the resources available and the procedures required to access them for participation in the full range of training and development activities related to the various functional specializations of the Department.**

The Department agrees. This is the current practice in the Neighborhood Planning division. Information on training classes is regularly disseminated via weekly Department-wide e-mails.

- 12.2 Update the Department’s policies and procedures as necessary to reflect and facilitate access to training and development resources.**

The Department agrees. This is current practice, as the one trainer in Neighborhood Planning is continually updating policies and procedures based on feed back from end users.

- 12.3 Establish a policy clearly stipulating that all donations from the Friends of San Francisco City Planning must be of a nature and for products and services that benefit the Department as a whole and not just individuals.**

- 12.4 Create the corresponding procedures to implement the policy in 12.3.**

In response to recommendations 12.3 and 12.4, the Department requests various grants from the Board of Directors of the Friends of City Planning for unbudgeted work-related staff training and development, and computer software and/or equipment for the Department as a whole. The grant funds are not for individuals.

- 12.5 The Department should periodically review problem areas in the provision of technical services to determine where administrative or procedural modifications seem warranted as well as cost effective and possibly more appropriate than training solutions.**

The Department agrees with this recommendation in those instances where it is cost effective to make administrative or procedural changes instead of training solutions.

- 12.6 Examine ways in which effective functional integration and cross training can be achieved among the Department’s major Divisions and implement a program to accomplish this.**

The Department agrees with this recommendation to set up a pilot program for cross training among the Department's major Divisions.

- 12.7 In the light of work process changes resulting from emerging technologies, evaluate the overall support staff function and determine how, if necessary, it might be restructured to ensure optimum utilization and effectiveness in the different divisions.**

The Department agrees.

- 12.8 Monitor the Department's training and staff development activities and report on them to the Planning Commission annually.**

The Department agrees with the recommendation to monitor the training function and report to the Commission. This should be a part of the Department's Annual Report.

Section 13: Enforcement

The audit report captures the main problem with this division very accurately by stating that: "the Enforcement Unit of the Planning Department is insufficiently resourced to effectively manage the Planning Code enforcement workloads...." The audit goes on to say: "We estimate that the Enforcement Unit would need an additional four planners and additional vehicles for at least a two-year period in order to achieve control of its existing workloads and new accessions."

Recommendations

"We recommend that the Director of Planning:"

13.1 Request limited additional resources to adequately staff and equip the Planning Code Enforcement Unit.

The Department agrees. This will most likely require supplemental appropriation and support from the Mayor's office and from the Board of Supervisors.

13.2 Emphasize the Planning Code enforcement responsibilities of the Neighborhood Planning Quadrant planners in order to assist the Code Enforcement Unit in bringing Planning Code enforcement under control.

The Department agrees. This will become a part of general staff training.

13.3 Ensure that the Code Enforcement Unit properly processes all Notices of Violations referred by DBI.

The Department agrees. This is already being carried out.

13.4 Ensure that existing means of cost recovery activities are pursued vigorously.

The Department agrees. However, many violations are corrected prior to the enactment of fines or the violation is corrected without the offender obtaining a building permit. Currently, for time and materials charges to be imposed, a building permit application is required.

13.5 Investigate the feasibility of obtaining new legislation to expand the types of Planning Code violations subject to the Planning Code Section 610 processes.

The Department agrees. In fact, the Department has already earmarked \$42,000 in the FY 2002/03 budget for this purpose.

13.6 Conduct a review of the benefits and costs of requiring Notices of Special Restrictions on building code permits that have the potential for abuse, as was done in the recent past.

The Department agrees. This, however, will necessitate additional funding and staffing.

Response of the Budget Analyst to the Director of Planning's Written Response

Section 1: Coordination with other agencies: In response to an audit finding that the Department is not fulfilling the State requirement to coordinate its plans with other local agencies, the Department reports that it has invited staff from other agencies to workshops and public meetings where various ideas were discussed pertaining to the other agencies' areas of jurisdictions. However the agencies interviewed for this audit indicated that the Planning Department is less likely to participate in the other agency's workshops and initiatives. Other agencies also report there is often no forewarning to their managers when new Planning Department ideas are to be presented in workshops or other public venues. Further, the Planning Department is not complying with the terms of its agreements with the Redevelopment Agency and the San Francisco County Transportation Authority to coordinate efforts.

Section 1: Reconciliation report: In response to a Recommendation 1.5 that calls for preparation of an annual report reconciling the Planning Department's annual Work Program and its budget following final budget adoption, the Department reports that it currently prepares such a report for the Planning Commission. Based on our review of these departmental reports from the last three years, we found that these reports are not presented in a format consistent with the annual Work Programs and therefore do not allow for a valid comparison of what was proposed with what the Department actually plans to do with the appropriated resources.

Section 2: Requirement for ground floor level public services: The Planning Department pointed out that our draft report representation was inaccurate regarding our statement that a number of approved new office buildings in the area of 1st and Howard Streets were not required to provide retail and public services on their ground floor. We concur with the Planning Department.

Section 2: Conditional use approval in Better Neighborhoods areas: The Planning Department pointed out that our statement that conditional use permits would no longer be required in certain neighborhoods after completion of the Better Neighborhoods process was not accurate. We concur with the Planning Department.

Section 3: Definition of arts activities: The Planning Director states that our draft report statement that the Planning Code does not define arts activities was incorrect. We concur. A clarified statement is now included in the report that the Planning Code does not sufficiently define the extent to which live/work inhabitants must engage in arts activities to qualify for occupancy

of a live/work unit. We also state that the Planning Code does not define “work” to determine compliance with the Department’s “live/work” requirements for these units.

Section 6: Environmental review time limits: The Department states that our analysis of a sample of 56 cases showing that median environmental review processing time of 211 days exceeds the State time limit of 180 days is flawed. The reason given by the Department is that the 211 days does not account for the 30 days allowed by State law for the Department to review the application and determine if it is complete before case processing begins. Subtracting 30 days from the 211 day median would leave 181 days per cases, or only one day more than the State limit.

As pointed out in the draft report, the Budget Analyst used case “file date” as the starting point for counting the number of days of case environmental review processing. This is the date the project is logged in by the case planner and is the only starting point date available for all cases since the Department does not keep track of when applications are determined complete. In some cases it may include time spent determining application completeness; in others it may not. Even if 30 days was required to determine application completeness for all 56 cases reviewed in our sample, 28 cases, or half of the sample, would still be out of compliance with State law since their total processing time was more than 211 days. After deducting the 30 days for determining application completeness, this would mean that processing time for half of the cases would be at least 181 days and for many cases, processing time would be substantially more than 181 days.

Section 7: Voluntary work rotation system: A recommendation in the draft report to institute a voluntary work rotation system has been deleted in response to the Department’s comment that such a system was in place in the past and was not successful.

Section 7: Internal promotions: The Department provided information regarding its high rate of internal promotions and reference to the need for more internal promotions was deleted from the report.

Section 9: Management and supervisory spans of control: In response to the finding in our draft report that certain managers and supervisors have low spans of control compared to their counterparts, the Department has provided new data in its written response showing different staffing levels than the staffing information provided by the Department to the Budget Analyst during the audit field work phase. Since the differences are slight and the staffing numbers previously provided by the Department were reviewed and verified with Department staff during the audit field work

phase, the Budget Analyst continues to use the staffing numbers originally provided by the Department. The new numbers provided do not change the conclusions that some managers and supervisors are underutilized compared to others and that opportunities for consolidation of management of the Department's administrative functions exist.

The recommendations to delete one management position and to reclassify several Planner IV supervisors to Planner IIIs is based not only on head count distributions but also on the nature of functions performed. The information systems function currently managed by a Planner V would be more appropriately managed by the Manager of Finance and Administration, who oversees most of the Department's other administrative functions. Consolidation of all administrative functions under the Manager of Finance and Administration is further justified because that position is currently underutilized, overseeing only 8 positions compared to a median of 19 for all managers in the Department.

